

Counterparts -

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SEP 29 1992 - 2 04 PM
INTERSTATE COMMERCE COMMISSION

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SEP 29 1992 - 2 04 PM
INTERSTATE COMMERCE COMMISSION

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2-273A050

September 29, 1992
SEP 29 1992 - 2 04 PM
INTERSTATE COMMERCE COMMISSION

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SEP 29 1992 - 2 04 PM
INTERSTATE COMMERCE COMMISSION

SEP 29 2 04 PM '92
NOTICE OF FILING

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

SEP 29 1992 - 2 04 PM
INTERSTATE COMMERCE COMMISSION

17955 - A
- B
- C

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) fully executed and acknowledged copies each of 1) an Equipment Lease 1992-A dated as of September 15, 1992 and 2) a Security Agreement-Trust Deed 1992-A dated as of September 15, 1992 (each a "primary document"); and 3) a Lease Supplement No. 1 dated September 29, 1992 and 4) a Security Agreement-Trust Deed 1992-A Supplement No. 1 dated September 29, 1992 (each a "secondary document").

The names and addresses of the parties to the foregoing documents are:

Equipment Lease and Supplement No. 1

Lessor: The Connecticut National Bank, ss Trustee
777 Main Street
Hartford, Connecticut 06115

Lessee: Amoco Chemical Company
200 East Randolph Drive
Chicago, Illinois 60601

Mr. Sidney L. Strickland, Jr.
September 29, 1992
Page Two

Security Agreement-Trust Deed and Supplement No. 1

Debtor: The Connecticut National Bank , as Trustee
777 Main Street
Hartford, Connecticut 06115

Secured Party: LaSalle National Bank
135 South LaSalle Street
Chicago, Illinois 60603

A description of the railroad equipment covered by the foregoing documents is set forth in ANNEX I to the Lease Supplement No. 1.

Also enclosed is a check in the amount of \$64 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

A short summary of the enclosed documents to appear in the Commission Index is:

Equipment Lease 1992-A dated as of September 15, 1992 between The Connecticut National Bank, as Trustee, Lessor, and Amoco Chemical Company, Lessee, as supplemented by a Lease Supplement No. 1 dated September 29, 1992; and a Security Agreement-Trust Deed 1992-A dated as of September 15, 1992 between The Connecticut National Bank, as Trustee, Debtor, and LaSalle National Bank, Secured Party, as supplemented by Security Agreement-Trust Deed 1992-A Supplement No. 1 dated September 29, 1992, covering 193 covered hopper cars bearing AMCX reporting marks and road numbers.

Very truly yours,


Charles T. Kappler

CTK/bg
Enclosures

17955

SEP 20 1992 2:20 PM

INTERSTATE COMMERCE COMMISSION

EQUIPMENT LEASE 1992-A

between

AMOCO CHEMICAL COMPANY,
as Lessee,

and

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity
but solely as Trustee for
the Owner,
as Trustee

Dated as of September 15, 1992

Certain rights and interests of the Trustee under this Lease are subject to a security interest in favor of LaSalle National Bank, as Indenture Trustee for the Lenders. The "original" counterpart of this Lease bears the signature thereon of said Indenture Trustee.

(AMOCO CHEMICAL TRUST 1992-A)

92-00708-7

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EQUIPMENT LEASE 1992-A

THIS EQUIPMENT LEASE 1992-A, dated as of September 15, 1992 (as from time to time supplemented or amended, this "Lease"), between AMOCO CHEMICAL COMPANY, a Delaware corporation ("Lessee"), and THE CONNECTICUT NATIONAL BANK, a national banking association, acting not in its individual capacity but solely as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof with BANC ONE EQUIPMENT FINANCE, INC., an Indiana corporation ("Owner") which creates a trust referred to as Amoco Chemical Trust 1992-A..

W I T N E S S E T H:

WHEREAS, the Trustee is entering into an Acquisition Agreement 1992-A (as from time to time thereafter supplemented or amended, the "Acquisition Agreement") with the Lessee, pursuant to which the Trustee has agreed to purchase and take delivery of the units of equipment (individually a "Unit" and collectively the "Units"), generally described in Schedule I hereto, and as more fully described in the Lease Supplement (as such term is hereinafter defined) hereto; and

WHEREAS, the Lessee, Amoco Corporation, an Indiana corporation ("Guarantor"), LaSalle National Bank, a national banking association ("Indenture Trustee"), the Owner, the Trustee and the lenders named therein (collectively, together with their respective successors and assigns, "Lenders") have entered into a Participation Agreement 1992-A, dated as of the date hereof (as from time to time thereafter supplemented or amended, the "Participation Agreement"), pursuant to which the purchase under the Acquisition Agreement is to be financed and the Lessee has agreed to enter into this Lease; and

WHEREAS, the Lessee will lease from the Trustee the Units that are delivered and accepted under the Acquisition Agreement at the rentals and for the term and upon the conditions hereinafter provided; and

WHEREAS, the Trustee will assign certain of its rights under this Lease and in the Units for security to the Indenture Trustee pursuant to the Security Agreement-Trust Deed 1992-A, dated as of the date hereof (as from time to time thereafter supplemented or amended, the "Security Agreement"); and

WHEREAS, the Guarantor, pursuant to the Participation Agreement, will unconditionally guarantee the due and punctual payment and performance of all obligations of the Lessee under the Documents (as defined in the Participation Agreement) to

which the Lessee is a party, including, without limitation, the Participation Agreement, this Lease and the Tax Indemnity Agreement 1992-A, dated as of the date hereof (as from time to time supplemented or amended, the "Tax Indemnity Agreement"), between the Lessee and the Owner, all as more fully set forth in Section 19 of the Participation Agreement;

NOW, THEREFORE, in consideration of the Rentals (as hereinafter defined) to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, the Trustee hereby leases the Units to the Lessee upon the following terms and conditions:

1. Net Lease. This Lease is a net lease. The Lessee's obligation to pay all Rentals and other amounts hereunder shall be absolute and unconditional and, except as provided in Sections 3.04 (and then only as and to the extent provided therein), 7.01, 7.02, 7.04, 7.06, 7.07, 7.09, 7.11, 7.12 and 7.13 hereof, the Lessee shall not be entitled to any abatement of Rentals, reduction thereof or setoff against Rentals, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee or the Guarantor against the Trustee, the Indenture Trustee, the Owner or any holder of any Note, whether under this Lease, under the Participation Agreement or under any other Document or otherwise and including the Lessee's rights by subrogation thereunder against any manufacturer ("Manufacturer") of the Units or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Trustee or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or any of the Units, the failure of the Units to be fit for the particular use contemplated by the Lessee, the interference with such use by any person or entity, including, without limitation, the Indenture Trustee, the holders of the Notes, the Trustee and the Owner, the invalidity or unenforceability or lack of due authorization of this Lease, to the extent permitted by applicable law, any insolvency of or bankruptcy, reorganization or similar proceeding against the Lessee, the Trustee, the Owner or any other Person, or, to the extent permitted by applicable law, for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the Rentals and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To

the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Units except in accordance with the express terms hereof. Each Rental or other payment made by the Lessee hereunder (other than sums which are paid pursuant to the terms of the Tax Indemnity Agreement or Section 21.01 of the Participation Agreement) shall be final and the Lessee, without waiving any other remedies it may have, will not seek or have any right to recover all or any part of such payment from the Owner, the Trustee, the Indenture Trustee or any holder of the Notes for any reason whatsoever except for prior payment or overpayment.

2. Delivery and Acceptance of Units. The Trustee hereby appoints the Lessee or the Lessee's designee as its agent for acceptance of the Units pursuant to the Acquisition Agreement. Each delivery of a Unit to the Trustee under the Acquisition Agreement shall be deemed to be a delivery hereunder to the Lessee at the point or points within the United States of America at which such Unit is delivered to the Trustee under the Acquisition Agreement. Upon such delivery, the Lessee will cause, or will have caused, an employee or agent of the Lessee to accept delivery of such Unit on behalf of the Trustee under the Acquisition Agreement and itself hereunder whereupon such Unit shall be deemed to have been delivered to and accepted by the Lessee and shall be subject thereafter to all the terms and conditions of this Lease. On the Closing Date (as defined in the Participation Agreement), the Lessee will execute and deliver to the Trustee a supplement to this lease in the form of Exhibit A hereto (the "Lease Supplement"; and, unless the context shall otherwise require, each reference herein or in any other Document to this Lease shall include the Lease Supplement) stating that, in accordance with the provisions of Section 2(b) of the Acquisition Agreement, each Unit in question has been accepted on behalf of the Lessee on the date of such Lease Supplement and has been marked in accordance with Section 5 hereof.

3.01. Rentals. With respect to each of the Units subject to this Lease, the Lessee will pay to the Trustee the rentals shown in Annex II to the Lease Supplement (such rentals, as adjusted pursuant to Section 3.03(a) but subject always to Section 3.05, together with the rentals payable in accordance with Sections 13.01, 13.02 and 13.03, being "Periodic Rentals"). Each payment of Periodic Rental shall be made in arrears or in advance, and shall apply to a specific annual or semiannual time period, all as stated in Annex II to the Lease Supplement hereto or as provided in Section 13.01, 13.02 or 13.03.

3.02. Trustee Direction as to Payments. Until all indebtedness secured by the Security Agreement has been fully

paid and satisfied or until the Lessee shall have received notice from the Indenture Trustee that a successor indenture trustee has been appointed and has accepted such appointment pursuant to Sections 6.9 and 6.10 of the Security Agreement, the Trustee irrevocably instructs the Lessee to make all the payments due the Trustee provided for in this Lease including, without limitation, Periodic Rentals, Casualty Value and Termination Value and all amounts determined by reference to Prepayment Premium or Make-Whole Amount (other than sums which are included within Excepted Rights in Collateral, as defined in the Security Agreement) to the Indenture Trustee, for the account of the Trustee, in care of the Indenture Trustee, with instructions to the Indenture Trustee to apply such payments in accordance with the terms of the Security Agreement. If the Lessee receives written notice from the Indenture Trustee that a successor indenture trustee has been appointed and has accepted such appointment pursuant to Sections 6.9 and 6.10 of the Security Agreement, the Trustee irrevocably instructs the Lessee to make all payments due the Trustee provided for in this Lease (other than sums which are included within Excepted Rights in Collateral) to the successor indenture trustee for the account of the Trustee, in care of such successor indenture trustee, with instructions to the successor indenture trustee to apply such payments in accordance with the terms of the Security Agreement.

3.03. Adjustments and Disputes. (a) The Periodic Rentals shown in Annex II to the Lease Supplement, the Casualty Values and Termination Values (as hereinafter defined) shown in Annex III attached to the Lease Supplement and the amortization schedule of the Notes (as defined in the Security Agreement) shown in Schedule 2 to the supplement to the Security Agreement (the "Security Agreement Supplement") have been calculated on the assumptions that (i) the Units will be acquired on September 29, 1992, (ii) the fees and expenses payable by the Owner pursuant to Section 14(a) of the Participation Agreement will be equal to 0.75% of the aggregate Purchase Price (as defined in the Acquisition Agreement), (iii) no Change in Tax Law (as hereinafter defined) shall have occurred after the date such Annex or Schedule was calculated for the Closing Date and prior to the Closing Date, (iv) no Covered Change in Tax Law (as hereinafter defined) shall have occurred on or after the Closing Date and prior to January 1, 1993 and (v) no refinancing has occurred pursuant to Section 18(b) of the Participation Agreement. The term "Change in Tax Law" means (A) the enactment of any change in the Internal Revenue Code of 1986, as amended (the "Code"), or the promulgation of any change in the related Income Tax Regulations and/or (B) the issuance of proposed regulations or an administrative announcement, which in the case of either clause (A) or clause (B) would affect the tax assumptions described in Section 1 of the Tax Indemnity Agreement (the "Tax Assumptions"). The term "Covered Change in Tax Law"

means the enactment of any change in the Code which would affect the Tax Assumptions. If any of the foregoing assumptions proves to be incorrect (and no adjustment for such incorrect assumption has been made in the Annexes and Schedules delivered for the Closing) or if the Lessee elects to have a Periodic Rental adjustment pursuant to Section 3(c) of the Tax Indemnity Agreement to indemnify for a loss thereunder by adjusting Periodic Rentals hereunder, such Periodic Rentals, Casualty Values and Termination Values and Notes amortization (subject to Section 18(a) of the Participation Agreement and Section 3.05) relating to the affected Units will be adjusted (in the case of clause (ii) of the first sentence of this Section 3.03(a) so as to be effective as of the first Periodic Rental to occur after the Lessee determines the fees and expenses and in the case of clause (v) of such sentence so as to be effective as of the first Periodic Rental to occur after a refinancing pursuant to Section 18(b) of the Participation Agreement) upward or downward by the amount necessary to maintain the Owner's net after-tax yield and total after-tax cash flow, without regard to the timing thereof, using the multiple investment sinking fund method (such net after-tax yield and total after-tax cash flow being hereinafter called "Net Economic Return"), computed on the same assumptions (including compliance with Section 467 of the Code and Revenue Procedures 75-21 and 75-28 to the extent of such compliance prior to the adjustment to be effected hereunder) as were originally utilized by the Owner in calculating such Periodic Rentals, Casualty Values and Termination Values and amortization schedules (other than the incorrect assumption or assumptions giving rise to the adjustment hereunder), while minimizing, to the extent possible, the present value of the Periodic Rentals of the Lessee (such present value to be determined by using the Debt Rate (as defined in the Participation Agreement) on the Notes); provided, however, that, with respect to any Change in Tax Law occurring prior to the Closing or any Covered Change in Tax Law, unless the parties shall otherwise agree, no such adjustment shall be made in respect of such Change in Tax Law or such Covered Change in Tax Law unless the Owner or the Lessee shall have given written notice thereof to the Lessee or the Owner prior to the Closing or December 31, 1992, respectively, and such Periodic Rentals, Casualty Values and Termination Values and amortization schedules will, subject to Section 3.05, be adjusted upward or downward so as to maintain the Owner's net after-tax yield and periodic after-tax cash flow computed on the same assumptions (including compliance with Section 467 of the Code and Revenue Procedures 75-21 and 75-28 to the extent of such compliance prior to the adjustment to be effected hereunder) as were originally utilized by the Owner in calculating such Periodic Rentals, Casualty Values and Termination Values and amortization schedules (other than the incorrect assumption or assumptions giving rise to the adjustment hereunder), while minimizing, to the extent possible, the present value of the Periodic Rentals of the Lessee (such

present value to be determined by using the Debt Rate on the Notes).

(b) Any adjustment in Periodic Rentals, Casualty Values, Termination Values and Notes amortization pursuant to Section 3.03(a) shall initially be calculated by the Owner. Any dispute with respect to the computation of the amount of any adjustments made pursuant to Section 3.03(a) or in the computation of the Annexes attached to the Lease Supplement and amortization schedules attached to the Security Agreement Supplement shall be resolved by Arthur Andersen & Co. or any other independent nationally recognized certified public accounting firm acceptable to the Lessee and the Owner (it being agreed by the Lessee and the Owner that such resolution shall apply only to computations and that any dispute between the Lessee and the Owner as to the interpretation of the provisions of this Agreement shall not be resolved in the manner set forth in this sentence). The reasonable costs of the foregoing resolution process shall be borne by the Lessee, unless as a result of such resolution process the payments of Periodic Rental are adjusted and such adjustment causes the net present value of the aggregate Periodic Rental payments, discounted semi-annually at the Debt Rate, compounded semi-annually, to decline by 5 basis points or more from the net present value of the aggregate Periodic Rental payments, discounted semi-annually at the Debt Rate, compounded semi-annually, as computed by the Owner, in which case the Owner shall be responsible for the reasonable costs of such resolution.

(c) In addition to the foregoing, in the case of a Covered Change in Tax Law:

(i) which results in a benefit that can be made available to the Lessee directly at no additional risk or unreimbursed expense to the Owner or any holders of the Notes (whether by means of an election or otherwise) rather than through an adjustment to Periodic Rent, the Lessee shall notify all parties to the Participation Agreement as soon as reasonably practicable whether the benefit of such Covered Change in Tax Law shall be implemented by an adjustment hereunder, subject to Section 3.05, or otherwise (and, if otherwise, the manner of such implementation), but in any event subject to Section 3.05; and

(ii) which, when combined with the effect of a Change in Tax Law described in clause (iii) of Section 3.03(a), would cause the net present value of the aggregate Periodic Rental payments to increase by 4% or more over the net present value of the aggregate Periodic Rentals without taking into account the effect of any rental adjustment relating to such Covered Change in Tax Law and to a Change in Tax Law described in clause (iii) of Section 3.03(a)

(with such net present value in each case to be determined by using a discount rate equivalent to the Debt Rate, compounding semi-annually), the Lessee may offer no later than 60 days after it is notified in writing of such increase, to purchase, within 30 days of the Trustee's acceptance, all of the Units for an amount equal to the sum of (A) the greater of the then-current Fair Market Value or the Termination Value therefor, plus (B) an amount equal to the Make-Whole Amount (as defined in Section 4.3 of the Security Agreement) and (C) any other Supplemental Rent due and owing; provided that upon the receipt of such offer to purchase, the Trustee shall have the option, exercisable within 30 days of receipt of such offer, of accepting such offer or increasing the net Periodic Rentals with respect to the Units by an amount which does not exceed the 4% previously described in this clause (ii); and if the Trustee accepts the offer, it shall, subject to payment of the sums described in the foregoing clauses (A), (B) and (C) and satisfaction of all other obligations of the Lessee hereunder and under the Participation Agreement, Transfer (as hereinafter defined) the Units to the Lessee.

3.04. Advance. If and to the extent that the Indenture Trustee on the first day of the Base Term shall not have received funds from the Owner sufficient for the payment in full of the interest then due and owing on the Notes, the Lessee shall pay as Supplemental Rental, in one installment due on the first day of the Base Term, an amount, if any, equal to such deficiency (such payment being referred to herein as an "Advance"). The Owner shall promptly reimburse the Lessee for having made such Advance in an amount equal to such Advance plus interest thereon at the Debt Rate plus 1% per annum (computed on the basis of a 360-day year of twelve consecutive 30-day months). In the event the Lessee makes any Advance pursuant to this Section 3.04 and is not promptly reimbursed therefor by the Owner after demand for such reimbursement and if no Event of Default or event which with the lapse of time or giving of notice, or both would constitute an Event of Default under Sections 10.01(a), (b), (c), (g), (h) or (i) has occurred and is continuing, the Lessee shall be entitled to offset and deduct (without duplication) against each succeeding payment or portion thereof of (i) Periodic Rentals (excluding the portion thereof sufficient to pay as of the payment date principal and accrued interest on the Notes required to be paid on the date such Periodic Rental is paid), (ii) Supplemental Rental (to the extent such Supplemental Rental is payable to the Owner or to the Trustee, but not to the Trustee in its individual capacity), other than that portion of Supplemental Rental which is denominated as Casualty Value or Termination Value or determined by reference to Prepayment Premium (as defined in Section 4.3 of the Security Agreement) or Make-Whole Amount, or (iii) Casualty Value or Termination Value (excluding,

with respect to Casualty Value or Termination Value, the portion thereof sufficient, together with Periodic Rentals, if any, payable contemporaneously therewith (and not distributable to the Owner), to pay in full as of the payment date of Casualty Value or Termination Value, as appropriate, any payment of principal of and interest on, and, in the case of Termination Value, an amount equal to the Prepayment Premium or the Make-Whole Amount, as applicable, payable in respect of the Notes required to be paid on such date, an amount equal to such Advance plus interest on such amount at the Debt Rate plus 1% per annum (computed on the basis of a 360-day year of twelve consecutive 30-day months) until the Lessee has been fully reimbursed for such Advance plus such interest, and in each such case, such offset shall be deemed to constitute a reduction in the amount of such Advance so payable. The amount offset with respect to each payment of Periodic Rental, Supplemental Rental, Casualty Value or Termination Value shall be applied, first, to the payment of accrued but unpaid interest on such Advance to the date of such payment and, second, to the repayment of the Advance.

3.05. Sufficiency of Rentals, etc. Notwithstanding anything to the contrary set forth herein, the Periodic Rentals, the Casualty Values and the Termination Values set forth in Annex II and Annex III, respectively, to the Lease Supplement delivered on the Closing Date, together with the other amounts payable under Sections 7.01 and 7.09 hereof will on the Closing Date and at all times thereafter (after giving effect to any adjustment pursuant to Section 3.03) be sufficient (except in the case of the Periodic Rentals, if any, due on the first day of the Base Term) to satisfy the scheduled obligations of the Trustee under the Notes and the Security Agreement, regardless of any limitation of liability set forth therein and the date on which any Periodic Rental, Casualty Value, Termination Value or amounts determined by reference to Prepayment Premium or Make-Whole Amount is payable, and shall in any event be consistent with the Trustee's payment obligations under the Security Agreement and the Notes. In no event shall the foregoing covenant or any other provision of this Lease be construed as a guaranty by the Lessee of the Notes.

3.06 Supplemental Rental. The Lessee also agrees to pay to the Trustee or to whomever shall be entitled thereto as supplemental rental ("Supplemental Rental"; and Periodic Rental and Supplemental Rental are sometimes collectively referred to as "Rental") any and all amounts, liabilities and obligations which the Lessee is obligated to pay hereunder, under the Participation Agreement or under the Tax Indemnity Agreement, including, without limitation, payments required pursuant to Sections 21.01 and 22.01 of the Participation Agreement, payments required to be made by the Lessee pursuant to Section 3.04 hereof and an amount equal to any and all premium or penalty at any time payable by

the Trustee under the Security Agreement in connection with the Notes, but excluding Periodic Rental, promptly as the same shall become due and owing and in the event of any failure on the part of the Lessee to pay any Supplemental Rental, the Trustee shall have all rights, powers and remedies provided for herein or by law or equity or otherwise in the case of nonpayment of Periodic Rental. The payment or satisfaction of the Lessee's obligation with respect to Periodic Rental or any installment thereof shall not limit any obligation of the Lessee which may have accrued during the Term of this Lease with respect to Supplemental Rental.

3.07. Business Days. If any of the Rental payment dates is not a business day, the Rental payment otherwise payable on such date shall then be payable on the following business day, and no interest shall be payable for the period from and after the scheduled date for payment thereof to such following business day. The term "business day" means a calendar day, excluding Saturdays, Sundays and any other day on which banking institutions in New York, New York or Chicago, Illinois (or the city and state in which the Indenture Trustee, the Trustee or the Owner maintains its principal place of business) are authorized or obligated to remain closed.

3.08. Lessee's Agreement as to Payments. Until such time as the lien of the Security Agreement shall have been released, the Trustee hereby directs the Lessee, and the Lessee hereby agrees, to make each payment to the Trustee provided for herein as contemplated by this Section 3 by wire transfer in immediately available funds at or prior to 11:00 a.m., Chicago, Illinois time, to the office of the Indenture Trustee (currently 135 South LaSalle Street, Chicago, Illinois 60603, wire transfer instructions: LaSalle National Bank, Chicago, Illinois, ABA No. 071000505 for credit to Amoco Chemical Trust 1992-A, Account No. 61-7005-40-0, on the date due, or if the lien of the Security Agreement shall have been released, at the office of the Trustee.

4.01. Term of Lease. The original term ("Original Term") of this Lease consists of the Interim Term and the Base Term, each as described below. The Interim Term shall begin on the date of delivery and acceptance of the Units hereunder pursuant to the Lease Supplement and, subject to the provisions of Sections 7 and 10 hereof, shall terminate at 12:01 A.M. on the date that is six months less one day from the commencement of the Lease. The Base Term, subject to the provisions of Sections 7 and 10 hereof, shall be for 20 years commencing immediately upon the termination of the Interim Term. Except for obligations of the Lessee under Sections 3.06, 11 and 14 hereof, the obligations of the Lessee hereunder will terminate upon the expiration of the Term of this Lease. The "Term" of this Lease consists of the Original Term and, to the extent exercised, the Fixed Renewal

Term (as defined in Section 13.01 hereof) and, to the extent exercised, all Fair Renewal Terms (as defined in Section 13.02 hereof).

4.02. Lessee's Quiet Enjoyment. So long as no Event of Default (as defined in Section 10.01 hereof) exists hereunder, this Lease may not be terminated and the Lessee shall be entitled to the quiet enjoyment of the Units, including the rights of possession, use and sublease provided under Section 12 hereof.

5. Identification Numbers. The Lessee will cause each Unit to be kept numbered with its identifying number set forth in Annex I to the Lease Supplement extending this Lease to cover such Unit. The Lessee will not change or permit to be changed the identifying number of any Unit unless and until (i) a statement of a new number or numbers to be substituted therefor shall have been filed with the Indenture Trustee and the Trustee and filed, recorded and deposited by the Lessee in all public offices where this Lease and the Security Agreement shall have been filed, recorded and deposited and (ii) the Lessee shall have furnished the Indenture Trustee and the Trustee with an opinion of counsel to the effect that such statement has been so filed, recorded and deposited, that such filing, recordation and deposit will protect the Indenture Trustee's and the Trustee's interests in such Units and that no filing, recording, deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to protect the interests of the Indenture Trustee and the Trustee in such Units.

6. Insignia. Except as provided in Section 5, the Lessee will not allow the name of any person, association or corporation to be placed on any Unit as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may permit any of the Units to be lettered with the names, trademarks, initials or other insignias customarily used by the Lessee or its affiliates, or any sublessee or its affiliates, on railroad equipment used by it of the same or a similar type for convenience of identification of its rights to use such Units under this Lease, and any of the Units may be lettered in an appropriate manner for convenience of identification of the interest of the Lessee therein.

7.01. Casualty Occurrences. In the event that any Unit shall be or become (a) lost or stolen for a period of more than 180 consecutive days, (b) worn out, (c) destroyed, (d) in the reasonable good faith opinion of a Responsible Officer of the Lessee (as hereinafter defined), irreparably damaged from any cause whatsoever or uneconomic to repair or, at any time on or after the tenth anniversary of the Closing Date, uneconomic to modify in order to meet the standards of Section 9.02 hereof, (e) returned to the Manufacturer because of what a Responsible

Officer of the Lessee reasonably believes to be an irreparable defect, (f) taken by condemnation or otherwise by the United States Government or governmental authority of the United States of America ("Government") or any other governmental authority, (g) requisitioned for use by the Government for a period of one year or more or for a period which is anticipated to extend beyond or does extend beyond the then remaining Term of this Lease or by any other governmental authority for a period in excess of 180 consecutive days or a period reasonably anticipated by the Lessee to extend beyond the then remaining Term of this Lease, it being understood that a requisition for use by the Government shall not constitute a Casualty Occurrence (as defined below) if the Trustee (with the prior written consent of the Indenture Trustee; provided no such consent shall be required during the final five years of the Term) has notified the Lessee of its intention not to treat it as a Casualty Occurrence in accordance with the notice provisions set forth below, or (h) subject to any governmental rule, regulation or other action prohibiting the Lessee from using such Unit for a period in excess of 180 consecutive days (each of the events described in clauses (a) through (h) above is referred to herein as a "Casualty Occurrence"), during the Term of this Lease or until such Unit, if the Lease has not theretofore terminated, shall have been returned in the manner provided in Section 11 or 14 hereof, the Lessee shall within 30 days after the Lessee has determined that a Casualty Occurrence has occurred (or, in the case of a Casualty Occurrence described in clause (g), that a requisition for use described in clause (g) has occurred) or within 180 days of the Casualty Occurrence (or such requisition for use), whichever is earlier (the "Casualty Date"), notify the Trustee, the Guarantor and the Indenture Trustee with respect thereto, which notice shall specify the nature of the Casualty Occurrence (or such requisition for use). Within 15 days after receiving notice from the Lessee that a requisition for use described in clause (g) has occurred, the Trustee shall (with the prior written consent of the Indenture Trustee; provided no such consent shall be required during the final five years of the Term) notify the Lessee as to whether it elects to treat such requisition for use as a Casualty Occurrence. If the Trustee fails to notify the Lessee of its election within such 15 day period, such requisition for use shall be deemed to be a Casualty Occurrence. On the Periodic Rental payment date next succeeding the Casualty Date (unless, in the case of a Casualty Occurrence pursuant to clause (g), the Trustee has (with the prior written consent of the Indenture Trustee; provided no such consent shall be required during the final five years of the Term) notified the Lessee that it does not elect to treat such requisition for use as a Casualty Occurrence, in which case no payment shall be made pursuant to this Section 7.01 and the Lease shall continue in full force and effect with respect to such Unit), or, in the event such Periodic Rental payment date will occur within 15 days

after the Casualty Date, on the following Periodic Rental payment date (unless, in the case of a Casualty Occurrence pursuant to clause (g), the Trustee has (with the prior written consent of the Indenture Trustee; provided no such consent shall be required during the final five years of the Term) notified the Lessee that it does not elect to treat such requisition for use as a Casualty Occurrence, in which case no payment shall be made pursuant to this Section 7.01 and the Lease shall continue in full force and effect with respect to such Unit), or, in the event the Term of this Lease has already expired or will expire within 15 days after the Casualty Date, on a date within 15 days of the Casualty Date ("Casualty Payment Date"), the Lessee shall, if the Trustee has not exercised its rights under Section 7.12(b) as and to the extent provided therein, either (i) pay to the Trustee on such Casualty Payment Date a sum equal to the Casualty Value (as defined in Section 7.03) of such Unit as of such Casualty Payment Date together with any Periodic Rental in arrears accrued as of such Casualty Payment Date with respect to such Unit, together with any Supplemental Rent due to any person, accrued or owing with respect to such Unit, or (ii) unless the Casualty Occurrence occurs within 5 years of the scheduled expiration of the Original Term or an Event of Default shall have occurred and be continuing, transfer to the Trustee full legal, beneficial and unencumbered title to equipment (A) of substantially similar type as, and having Fair Market Value, utility and remaining useful life at least equal to such Unit suffering the Casualty Occurrence, assuming such Unit was maintained in the condition required by this Lease, (B) manufactured in a year not earlier than the year the Unit being replaced was manufactured, (C) having an AAR Depreciated Value of not less than the AAR Depreciated Value of the Unit being replaced, and (D) from the Lessee's existing fleet (such equipment meeting the conditions set forth in clauses (A) through (D) above is referred to herein as a "Replacement Unit"). Upon the making of payment under clause (i) above by the Lessee in respect of any Unit, the Periodic Rental for such Unit shall cease to accrue as of such Casualty Payment Date and the Term of this Lease as to such Unit, if not theretofore terminated, shall terminate. Prior to or at the time of any transfer of title to any Replacement Unit pursuant to this Section 7.01, the Lessee, at its own expense, shall promptly (I) furnish the Trustee with a bill of sale, in form and substance satisfactory to the Trustee and the Indenture Trustee, with respect to such Replacement Unit, (II) enter into a supplement hereto, in form and substance satisfactory to the Trustee and the Indenture Trustee, subjecting such Replacement Unit to this Lease, and cause such supplement, together with an appropriate supplement to the Security Agreement and all such other documents and instruments, to be filed, deposited and recorded in such manner and places as shall be necessary or appropriate to confirm the title and interest of the Trustee and to perfect the lien of the Indenture Trustee pursuant to the

Security Agreement in respect of such Replacement Unit, (III) furnish the Trustee and the Indenture Trustee with a certificate of a Responsible Officer of the Lessee stating, at the time of delivery of such Replacement Unit, that the Lessee has good and lawful right to sell such Replacement Unit, that the Lessee has good and marketable title to such Replacement Unit, that such Replacement Unit is free of all liens except Permitted Liens (as hereinafter defined) and that such Replacement Unit complies with the requirements therefor set forth in this Section 7.01, and (IV) furnish the Trustee and the Indenture Trustee with an opinion of the Lessee's counsel to the effect that the bill of sale is valid and effective to transfer to the Trustee good and marketable title to such Replacement Unit free and clear of all liens except Permitted Liens and that the Lease Supplement in which such Replacement Unit is included constitutes a legal, valid and binding agreement of the Lessee enforceable against it in accordance with its terms and the Security Agreement creates a valid first security interest in the Trustee's right, title and interest in the Replacement Unit, effective as against creditors of and purchasers from the Trustee and the Lessee and the security interest has been perfected in accordance with the appropriate provisions of the Interstate Commerce Act and of state law.

7.02. Disposition or Transfer of a Unit Suffering a Casualty. The Trustee hereby appoints the Lessee its agent to dispose of any Unit suffering a Casualty Occurrence and for which the Lessee has paid Casualty Value pursuant to clause (i) of Section 7.01 hereof, or any component thereof, before or after the expiration of this Lease, at no less than the best price obtainable on an "as is, where is" basis. If the Lessee has previously paid the amounts specified in clause (i) of Section 7.01 hereof and no Event of Default or event which after notice or lapse of time, or both, would become an Event of Default hereunder is continuing, the Lessee shall be entitled to the proceeds of such sale to the extent they do not exceed the Casualty Value of such Unit, and any excess shall be paid to the Trustee. Upon the transfer of a Replacement Unit to the Trustee pursuant to Section 7.01 hereof, the Trustee shall Transfer the Unit having suffered the Casualty Occurrence to the Lessee. The term "Transfer" means the transfer of all right, title and interest of the Trustee in the property being transferred, free and clear of any liens or encumbrances required to be discharged by the Owner or the Trustee, in their respective individual capacities, pursuant to Sections 12.01 and 12.02 of the Participation Agreement, but otherwise without representation or warranty.

7.03. Casualty Value. The Casualty Value of each Unit as of the Casualty Payment Date for each such Unit shall be that percentage of the Purchase Price of such Unit as is set forth in

Annex III to the Lease Supplement with respect to such Unit opposite such date, as may be amended from time to time in accordance with Sections 3.03(a) and 3.05 hereof.

7.04. Requisitions Not Constituting Casualty Occurrences. In the event of the requisition for use by the Government of any Unit during the Term of this Lease, unless such requisition shall constitute a Casualty Occurrence, all of the Lessee's obligations under this Lease with respect to such Unit shall continue to the same extent as if such requisition had not occurred; provided that if such requisition for use by the Government of any Unit is for a period which is anticipated to extend beyond or does extend beyond the then remaining Term of this Lease and does not constitute a Casualty Occurrence, the Lessee shall not be required to return such Units at the end of such Term, but instead shall return the Units requisitioned, in accordance with Section 14.01, upon return of the Unit by the Government to the Lessee as if the Term of this Lease had ended on the date the Government's requisition for use ends. All payments received by the Trustee or the Lessee from the Government for the use of such Unit during the Term of this Lease shall be paid over to, or retained by, the Trustee if an Event of Default (or event which after notice or lapse of time, or both, would become an Event of Default) shall have occurred and be continuing and otherwise shall be paid over to, or retained by, the Lessee. All payments received by the Trustee or the Lessee from the Government for the use of such Unit after the Term of this Lease shall be paid over to, or retained by, the Trustee.

7.05. Risk of Loss. The Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit from and after delivery and acceptance thereof by the Lessee hereunder for so long as such Units are subject to the Lease.

7.06 Surplus Termination. With respect to any Unit, in the event that the Lessee shall, in its sole good faith opinion, as evidenced by a certificate of a Responsible Officer of the Lessee, determine that not less than 75 of the Units then subject to this Lease have become obsolete, surplus, uneconomic to its needs or, prior to the tenth anniversary of the Closing Date, uneconomic to modify in order to meet the standards of Section 9.02 hereof, then the Lessee shall have the right, at its option and on not more than 180 nor less than 90 days' prior written notice (such notice to become irrevocable on the 45th day prior to the Surplus Termination Date (as defined below)) to the Trustee, the Guarantor and the Indenture Trustee, to terminate (herein called a "Surplus Termination") this Lease as to (A) not less than 75 of such Units on any succeeding Periodic Rental payment date specified in such notice (the "Surplus Termination Date"); provided, however, that (i) except as provided in Section

9.02, the Surplus Termination Date shall not be earlier than the seventh anniversary of the Closing Date, (ii) no Event of Default shall have occurred and be continuing on the Surplus Termination Date, (iii) on the Surplus Termination Date, such Units shall be in the same condition as if being redelivered pursuant to Section 14 hereof, and (iv) if as a result of the Lessee's election to cause a Surplus Termination pursuant to this Section 7.06, less than 75 Units would remain subject to this Lease immediately following the Surplus Termination Date, the Lessee shall be obligated to cause a Surplus Termination of all of the Units then subject to this Lease. The Lessee shall not discriminate among Units on the basis of the condition, use or maintenance history of the Units in selecting Units for Surplus Termination. On the Surplus Termination Date, the Lessee shall pay the sums required by Section 7.09(a).

7.07. Sale of Surplus Termination Units. During the period prior to the fifth business day preceding the Surplus Termination Date, the Lessee shall use its best efforts to obtain bids for the purchase of all Units subject to such Surplus Termination, and at least five business days prior to such Surplus Termination Date the Lessee shall certify to the Trustee the amount of each such bid and the name and address of each party (which shall not be a corporation or an individual affiliated with the Lessee or any party from whom the Lessee or any such affiliate intends thereafter to lease or acquire such Unit) submitting a bid. The Trustee or the Owner may, but shall not be obligated to, solicit such bids. On the Surplus Termination Date the Trustee shall, subject to satisfaction by the Lessee of its obligations under Section 7.09(a), Transfer all such Units for cash to the bidder who shall have submitted the highest bid prior to the Surplus Termination Date. The total sale price realized at each such sale shall be applied in accordance with Sections 4.1(b) and 4.3 of the Security Agreement.

7.08. Voluntary Termination. In the event that the Lessee shall determine that this Lease should be terminated as to all the Units, the Lessee shall have the right, at its option and on at least 90 days' prior written notice (such notice to become irrevocable on the 45th day prior to the Voluntary Termination Date (as defined below)) to the Trustee, the Guarantor and the Indenture Trustee, to terminate (herein called a "Voluntary Termination") this Lease as to such Units on the tenth anniversary of the commencement of the Base Term ("Voluntary Termination Date"; and a Surplus Termination Date or Voluntary Termination Date may be referred to as a "Termination Date"); provided, however, that no Event of Default shall have occurred and be continuing on the Voluntary Termination Date. Upon Voluntary Termination, the Lessee shall purchase, and the Trustee shall Transfer, all, but not less than all, Units for the consideration specified in Section 7.09(b).

7.09. Payments on Termination. (a) On a Surplus Termination Date, the Lessee shall pay to the Trustee (or, with respect to clause (iv) below such other persons to whom any such other amounts are due and owing) (i) any Periodic Rental payment due in arrears on such Termination Date, plus (ii) the excess, if any, of (y) the Termination Value for each such Unit computed as of such date over (z) the sale price of such Unit received by the Trustee after the deduction of all costs and expenses (including any taxes indemnified by the Lessee under Section 21.01 of the Participation Agreement) incurred by the Trustee or the Indenture Trustee in connection with such sale, plus (iii) an amount equal to the Prepayment Premium payable pursuant to Section 4.3 of the Security Agreement (or, in the case of a Surplus Termination occurring prior to the tenth anniversary of the Closing Date arising from any Unit or Units determined to be uneconomic to modify in order to meet the standards of Section 9.02 hereof, an amount equal to the Make-Whole Amount payable pursuant to Section 4.3 of the Security Agreement) on such date in respect of the Notes to be prepaid by the Trustee on such date, plus (iv) any other Supplemental Rental due, accrued or owing with respect to any such Unit.

(b) On a Voluntary Termination Date, the Lessee shall pay to the Trustee (or, with respect to clause (iv) below such other persons to whom any such other amounts are due and owing) (i) any Periodic Rental payment due in arrears on such Termination Date, plus (ii) the higher of (y) the amount estimated in the appraisal delivered pursuant to the Participation Agreement to be the fair market value of each such Unit as of the tenth anniversary of the commencement of the Base Term therefor and (z) the Termination Value for each such Unit, plus (iii) an amount equal to the Prepayment Premium payable pursuant to Section 4.3 of the Security Agreement on such date in respect of the Notes to be prepaid by the Trustee on such date, plus (iv) any other Supplemental Rental due, accrued or owing with respect to the Units.

In the case of both subsections (a) and (b), as well as for the purpose of Section 3.03(c)(ii), (i) the Termination Value of each such Unit as of the payment date on which payment is to be made shall be that percentage of the Purchase Price of such Unit as is set forth in Annex III to the Lease Supplement with respect to such Unit opposite such date, as such schedule may be amended from time to time pursuant to Sections 3.03(a) and 3.05 hereof and (ii) the Lessee shall, at least 1 business day prior to the due date for any payment determined by reference to Prepayment Premium or Make-Whole Amount, furnish the Trustee and the Indenture Trustee with a written statement setting forth its calculation of the Prepayment Premium or Make-Whole Amount, as the case may be, due in connection with such termination.

(c) if on any Termination Date the Lessee (and, if the Trustee has exercised its option under Section 7.12, the Trustee) shall have failed to pay all amounts payable pursuant to Section 7.09 on such date, this Lease shall continue in full force and effect without change.

7.10. Failure to Sell. If no sale shall occur on the Surplus Termination Date, this Lease shall continue in full force and effect without change but, at the Lessee's election, the Lease shall terminate with respect to the Units if the Lessee pays on the Surplus Termination Date all applicable amounts specified in Section 7.09(a) to the persons specified therein for each Unit subject to the Termination and returns each such Unit to the Trustee in the manner required by Section 14 hereof.

7.11. Duties and Obligations in Connection with Termination. In the event of any such sale and the receipt by the Trustee of the applicable amounts specified in Section 7.09, the obligation of the Lessee to pay Periodic Rental pursuant to Section 3.01 hereof in respect of such Unit on each Periodic Rental payment date shall continue to and including the Termination Date but shall then terminate. The Trustee shall be under no duty to solicit bids, to inquire into the efforts of the Lessee to obtain bids or otherwise to take any action or incur any cost or expense in connection with any sale other than to Transfer or to cause to be Transferred all the Trustee's right, title and interest in and to such Unit to the Lessee, if the Lessee is exercising its rights under Section 7.08, or to the purchaser named in the highest bid certified by the Lessee to the Trustee as provided in Section 7.07.

7.12. Trustee's Option. (a) If the Lessee shall exercise its option to terminate as to any Unit pursuant to Section 7.06, the Trustee may, notwithstanding such election by the Lessee, by written notice to the Lessee and the Indenture Trustee given within 50 days after the termination notice is given to the Trustee, elect to pay on the Surplus Termination Date the outstanding principal balance of and accrued interest and the Prepayment Premium or Make-Whole Premium, as the case may, be payable pursuant to Section 4.3 of the Security Agreement on the Notes with respect to such Unit, in which case the Trustee shall be entitled to retain such Unit, and this Lease shall terminate (except with respect to any accrued obligations not yet due) as to such Unit upon such Surplus Termination Date; provided, however, that the Lessee shall pay to the Trustee, on such Surplus Termination Date, (i) any Periodic Rental payments due in arrears on such Termination Date and (ii) all Supplemental Rentals (other than Supplemental Rentals described in Section 7.09(a)(ii) hereof) then due, accrued or owing; and provided, further that if the Trustee shall not have (x) delivered to the Indenture Trustee on or before the 30th day prior to the Surplus

Termination Date, cash or a letter of credit (in form and substance reasonably satisfactory to the Indenture Trustee providing for payment on the Surplus Termination Date) for application pursuant to the Security Agreement in an amount equal to the outstanding principal balance of and accrued interest on the Notes with respect to the terminated Units or (y) made, on or before the 30th day prior to the Surplus Termination Date, alternate arrangements, acceptable to the Lessee and Indenture Trustee, to assure the Lessee and the Indenture Trustee that the Trustee will pay on behalf of the Owner, on the Surplus Termination Date, an amount equal to the outstanding principal balance of, and accrued interest on the Notes with respect to the Terminated Units, the Trustee's election pursuant to this Section 7.12 shall be deemed rescinded and on the Surplus Termination Date, subject to Section 7.09(a), the Trustee shall Transfer such Units to the highest bidder pursuant to Section 7.07. In the event the Trustee shall so elect to retain such Unit and such election is not rescinded or deemed rescinded, the Lessee thereupon shall deliver such Unit to the Trustee in accordance with the provisions of Section 14 hereof.

(b) In the event of a Casualty Occurrence with respect to any Unit pursuant to Section 7.01(d) and if such Unit is not replaced, the Trustee may, by written notice to the Lessee and the Indenture Trustee given 90 days after the notice of a Casualty Occurrence is given to the Trustee, elect to pay on the Casualty Payment Date the outstanding principal balance of and accrued interest on the Notes payable pursuant to Section 4.1 of the Security Agreement with respect to such Unit, in which case the Trustee shall be entitled to retain such Unit and this Lease shall terminate (except with respect to any accrued obligations not yet due) as to such Unit upon such Casualty Payment Date; provided, however, that the Lessee shall pay to the Trustee, on such Casualty Payment Date, (i) any Periodic Rental payments due in arrears on such Casualty Payment Date and (ii) all Supplemental Rentals then due, accrued or owing (other than the Casualty Value described in clause (i) of the fourth sentence Section 7.01 with respect to such Unit). In the event the Trustee shall so elect to retain such Unit, the Lessee thereupon shall deliver such Unit to the Trustee in accordance with the provisions of Section 14 hereof (other than Section 14.02(i) hereof as a result of the Casualty Occurrence).

7.13. Insurance. The Lessee will, at all times prior to the return of all of the Units to the Trustee, at its own expense, cause to be carried and maintained (i) property insurance in respect of the Units at the time subject hereto and (ii) public liability insurance with respect to third party personal injury and property damage. The Lessee will continue to carry the insurance described in clauses (i) and (ii) above in such amounts and for such risks and with such insurance companies

and subject to such self-insured retention by it as is consistent with prudent industry practice, taking into account, among other things, the Guarantor's financial condition, but in any event not less comprehensive in amounts and against risks customarily insured against by the Lessee in respect of equipment owned or leased by it similar in nature to the Units. Notwithstanding anything to the contrary set forth herein, so long as no Event of Default shall have occurred and be continuing and so long as the Guaranty (as defined in Section 12.05) shall be in full force and effect, the Lessee shall have the right at all times not to carry the insurance discussed in clause (i) above. If at any time the Lessee shall be covered by a policy for less than \$50,000,000 of liability insurance pursuant to clause (ii) of the first sentence of this Section 7.13, the Lessee shall promptly notify the Trustee and the Indenture Trustee and either such person may from time to time as long as such liability insurance policy is for less than \$50,000,000, request a certificate of an independent insurance broker stating that the amount of insurance carried by Lessee is consistent with prudent industry practice (taking into account, among other things, the Guarantor's financial condition) or that liability insurance in excess of the amount then being carried is commercially unavailable. The Lessee shall pay the cost of any such certificate. The Lessee will not discriminate in the insurance of the Units and similar equipment owned or leased on long term leases by it on the basis of ownership or leasing, as the case may be. To the extent property insurance is required to be maintained pursuant to this Section 7.13, the proceeds of any such property insurance shall be payable to the Indenture Trustee as loss payee under a standard loss payable clause, so long as all Notes shall not have been paid in full, and thereafter to the Trustee and the Lessee as their interests may appear; provided, however, that so long as no Event of Default hereunder or an event which but for the passage of time or the giving of notice, or both, would constitute such an Event of Default has occurred and is continuing (i) the proceeds of such insurance, if such Unit is to be repaired, shall be released to the Lessee to reimburse it, or to pay invoices, for expenditures made for such repair upon delivery to the Trustee and the Indenture Trustee of a certificate of the Lessee to the effect that the remaining insurance proceeds are sufficient to complete all repairs required to be made with respect to such Unit, (ii) if the Unit is replaced in accordance with the provisions of Section 7.01 hereof, the insurance proceeds shall thereupon be released to the Lessee, (iii) if the Lessee has paid the amounts required pursuant to Section 7.01, and in consequence thereof this Lease is terminated with respect to a Unit in accordance with the provisions of said Section 7.01, the insurance proceeds shall be released to the Lessee, and (iv) if this Lease is to be terminated with respect to a Unit pursuant to Section 7.01 hereof and insurance proceeds are received prior to the making by the Lessee of its payment required pursuant to

Section 7.01, the insurance proceeds shall be applied against the Lessee's obligation to pay Casualty Value and other amounts required pursuant to said Section 7.01, and any proceeds in excess thereof shall be released to the Lessee. Each policy with respect to such insurance, as provided herein, shall (A) include the Trustee, in its individual and trust capacity, the Owner, the Indenture Trustee and the holders of the Notes as additional insureds or loss payees, as their respective interests may appear, (B) not require premiums, commissions and assessments from any additional insured or loss payee, (C) not require contribution from any other insurance coverage purchased by any additional insured or loss payee, (D) provide that no cancellation or material change shall be effective as to any insured until at least 30 days after the Trustee's, the Owner's, the Indenture Trustee's and the Lenders' receipt of written notice thereof, (E) waive any right of subrogation against any additional insured or loss payee, (F) provide that the coverage provided by such insurance shall not be invalidated by any action or inaction of the Lessee or any other person, and (G) provide that in as much as such policy covers more than one insured, all terms, conditions, insuring agreements and endorsements, with the exception of limits of liability, shall operate in the same manner as if there were a separate policy covering each insured.

The Trustee or the Owner may at its own expense (but shall have no duty or obligation to) carry insurance with respect to its interest in the Units, provided that such insurance does not prevent the Lessee from carrying insurance required by this Section 7.13 or adversely affect such insurance, the amount payable thereunder or the cost thereof. Any insurance payments received from policies maintained by the Trustee or the Owner at its own expense shall be retained by the Trustee or the Owner, respectively, without reducing or otherwise affecting the Lessee's obligations hereunder.

8.01. Reports and Inspection. On or before May 1 in each year, commencing on May 1, 1994, the Lessee will furnish to the Trustee, the Owner and the Indenture Trustee an accurate statement: (a) setting forth as at the preceding December 31 the quantity, description and identification numbers of all Units then leased hereunder and covered by the Security Agreement, and the quantity, description and identification numbers of all Units that have suffered a Casualty Occurrence during the preceding calendar year or, in the case of the first such statement, since the date of this Lease (specifying the dates of such Casualty Occurrences); and (b) stating that, in the case of all Units repainted during the period covered by such statement, the numbers and markings required by Section 5 hereof have been preserved or replaced. The Trustee and the Indenture Trustee shall each have the right (but not any obligation) by its respective agents to inspect the Units and the Lessee's records

with respect thereto at such reasonable times as the Trustee or the Indenture Trustee, as the case may be, may request during the continuance of this Lease. Upon the reasonable request of the Trustee or the Indenture Trustee, the Lessee shall furnish to the Trustee, the Owner and the Indenture Trustee a written report setting forth in reasonable detail the nature and aggregate cost of any Additions (as defined in Section 9.04 hereof) to the Units from and after the date hereof. Promptly following the commencement of any sublease involving all or any portion of the Units the term of which is stated to be for a period of 12 or more months, the Lessee shall furnish to the Trustee, the Owner and the Indenture Trustee a copy of each such sublease (with the economic terms the Lessee deems confidential being deleted).

8.02. Reports to Regulatory Authorities. The Lessee will at its expense prepare and deliver to the Trustee within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the Trustee) any and all reports (other than income tax returns, except as provided in Section 21 of the Participation Agreement) to be filed by the Trustee with any Federal, state or other regulatory authority by reason of the ownership by the Trustee of, or the interest of the Indenture Trustee in, the Units or the leasing thereof to the Lessee. The Trustee and the Owner shall promptly furnish any information reasonably required by the Lessee in connection with the preparation of such reports.

9.01. Disclaimer of Warranties. THE TRUSTEE DOES NOT MAKE, HAS NOT MADE AND SHALL NOT BE DEEMED TO MAKE OR HAVE MADE, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN, COMPLIANCE WITH SPECIFICATIONS, OPERATION OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE UNITS OR ANY COMPONENT THEREOF DELIVERED TO THE LESSEE HEREUNDER, AND THE TRUSTEE DOES NOT MAKE ANY WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS OR ANY COMPONENT THEREOF FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE UNITS OR ANY COMPONENT THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY UNIT OR ANY COMPONENT THEREOF (EITHER UPON DELIVERY THEREOF TO THE LESSEE OR OTHERWISE), it being agreed that all such risks, as between the Trustee and the Lessee, are to be borne by the Lessee; but the Trustee hereby irrevocably appoints and constitutes the Lessee its agent and attorney-in-fact during the Term of this Lease, so long as no Event of Default shall have occurred and be continuing, to assert and enforce from time to time, in the name of and for the account of the Trustee and/or the Lessee, as their interests may appear, at the Lessee's sole cost and expense whatever claims and rights (including warranty or similar claims) the Trustee may have against the Manufacturer of any Units or any components thereof and the Lessee hereby further agrees to assert and enforce from time to time at the Lessee's sole cost and

expense, whatever claims and rights (including warranty or similar claims) the Lessee directly may have against the Manufacturer of any Units or any components thereof. The Lessee shall be obligated to proceed diligently with respect to any such claims and to use the proceeds, if applicable, for the repair or restoration of the Units affected thereby unless such repair or restoration theretofore had been accomplished, in which event such proceeds shall be paid over to the Lessee or retained by the Lessee, as the case may be. The Trustee shall have no responsibility or liability to the Lessee or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Units or by any inadequacy thereof or deficiency or defect therein or by any other circumstance in connection therewith, including strict liability in tort; (ii) the use, operation or performance of any Units or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Units or (v) any other claim or occurrence for which the Lessee is obligated to indemnify the Trustee pursuant to the Documents. The Lessee's delivery of a Lease Supplement shall be conclusive evidence as between the Lessee and the Trustee that the Units described therein are in all the foregoing respects satisfactory to the Lessee; and the Lessee will not assert any claim of any nature whatsoever against the Trustee based on any of the foregoing matters; however, the Manufacturers of such Units are not intended to be third party beneficiaries of any acceptance by the Lessee.

9.02. Compliance with Laws and Rules. The Lessee will, for the benefit of the Trustee, the Owner and the Indenture Trustee, comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each Unit) with all requirements of insurance policies required to be maintained by the Lessee pursuant to Section 7.13 relating to the Units and all applicable laws, rules and regulations, including, without limitation, all laws of the jurisdictions in which operations involving the Units may extend, with the Rules of the Association of American Railroads and with all rules of the United States Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units, to the extent that such laws and rules affect the title, operation or use of the Units (all such laws and rules to such extent being hereinafter called "Applicable Laws") and in the event that Applicable Laws require any alteration, replacement, modification or addition of or to any part of any Unit, the Lessee will fully conform therewith at its own expense; provided, however, that the Lessee may upon written notice to the Trustee and the Indenture Trustee, in good faith, contest the validity or application of

any such Applicable Laws in any reasonable manner which does not, in the reasonable opinion of the Trustee or the Indenture Trustee, adversely affect the property or rights of the Trustee or the Indenture Trustee, respectively, under this Lease or under the Security Agreement; and provided, further, that (i) if prior to the tenth anniversary of the Closing Date, compliance with this Section 9.02 would be uneconomic, in the reasonable good faith opinion of a Responsible Officer of the Lessee, then the Lessee may declare a Surplus Termination with respect to the Units in question in lieu of complying with this Section 9.02 and (ii) if on or after the tenth anniversary of the Closing Date compliance with this Section 9.02 would be uneconomic, in the reasonable good faith opinion of a Responsible Officer of the Lessee, then the Lessee may declare a Casualty Occurrence with respect to the Units in question in lieu of complying with this Section 9.02.

9.03. Maintenance. The Lessee shall, at its own cost and expense, maintain, modify and keep, or cause to be maintained, modified and kept, each Unit (including any Parts (as defined in Section 9.05) installed on or replacements made to any Unit and considered an accession thereto as hereinbelow provided) which is subject to this Lease in good operating condition and in as good a condition as when originally delivered by the Manufacturer, ordinary wear and tear excepted (a) in compliance with all Applicable Laws, (b) in compliance with standards sufficient to satisfy the applicable Manufacturer's warranty requirements, (c) in compliance with all applicable insurance policy requirements and (d) in condition eligible for railroad interchange in the hands of the Lessee, the Trustee or any other person or entity in accordance with the interchange rules of the Association of American Railroads or other applicable regulatory bodies. The Lessee will maintain and use the Units in a manner consistent with Lessee's maintenance and usage of similar equipment owned or leased by it, and the Lessee will not discriminate in the maintenance or use of the Units and such similar equipment on the basis of ownership or on the basis that such Units are leased. The Lessee shall use the Units only in the manner for which they were designed and intended for transportation of plastic pellets and certain dry powdered or granular commodities. The Lessee will maintain or cause to be maintained any records, logs and other materials required by, and will prepare and file any reports required by, any governmental authority having jurisdiction to be maintained or filed in respect of the Units. The Lessee, at its own expense, will procure or cause to be procured and pay or cause to be paid for all permits, inspections and licenses necessary or appropriate in connection with the Units, the use or operation thereof or any repair, restoration, replacement, renewal, addition or improvement with respect thereto.

9.04. Voluntary Additions. The Lessee and its affiliates, at their own cost and expense, may from time to time make such other alterations, modifications and additions at any time, the cost of which is not included in the Purchase Price of such Unit and which are not required for the operation or use of such Unit by Applicable Law, Manufacturers' warranties or insurance requirements (hereinafter collectively called "Additions"), to the Units as the Lessee may deem desirable in the proper conduct of its business so long as such Additions shall not be inconsistent with the continuing operation of the Units and shall not diminish the remaining useful life, value or utility of the Units below the remaining useful life, value or utility thereof immediately prior to the making of such Additions, assuming the Units were then in the condition required to be maintained by the terms of this Lease.

9.05. Parts. Title to all Parts (as hereinafter defined) incorporated in or installed as part of a Unit shall without further act vest in the Trustee and, so long as such Unit shall be subject to the lien of the Security Agreement, be subject to a valid first lien and prior perfected security interest under the Security Agreement in any of the following cases: (i) such Part is in replacement of or in substitution for, and not in addition to, any Part originally incorporated in or installed as part of such Unit at the time of the acceptance thereof hereunder or any Part in replacement of, or in substitution for any such original Part (however, title to such removed Part shall thereupon vest in the Lessee free and clear of all rights of the Trustee and shall no longer be deemed a Part hereunder), (ii) such Part is required to be incorporated in, or installed as part of, such Unit pursuant to the terms of Section 9.02 or 9.03 (however, if such Part is subsequently replaced or a substitution is made therefor under this Lease, then title to the removed Part shall thereupon vest in the Lessee free and clear of all rights of the Trustee and shall no longer be deemed a Part hereunder) or (iii) notwithstanding the provisions of Section 9.04, such Part cannot be readily removed from the Unit to which it relates without damage thereto and without diminishing or impairing the remaining useful life, value or utility which such Unit shall have had at such time had such Addition not occurred. In all other cases, if no Event of Default hereunder, or event which with notice or lapse of time, or both, would constitute an Event of Default shall have occurred and be continuing, title to Parts incorporated in or installed as parts of the Units as a result of such Additions shall vest in the Lessee. The term "Part" shall be defined to include any appliance, part, instrument, accessory, furnishing or other equipment of any nature, including any Additions, which may from time to time be incorporated in or installed as part of any Unit.

10.01. Default and Remedies. If, during the continuance of this Lease, one or more of the following events (each such event being herein sometimes called an "Event of Default") shall occur:

(a) payment of any part of the Periodic Rental hereof shall not be made by or on behalf of the Lessee and such failure to make payment shall continue for 10 business days after the same shall become due; or

(b) payment of any amounts due in connection with a Casualty Occurrence shall not be made by or on behalf of the Lessee and such failure to make payment shall continue for 20 days after receipt by the Lessee of written notice thereof from the Trustee or the Indenture Trustee; or

(c) payment of any other amount payable by the Lessee hereunder (other than any amount payable by the Lessee pursuant to Section 7.09) or under the Participation Agreement shall not be made by or on behalf of the Lessee and such failure to make payment shall continue for 20 business days after receipt by the Lessee of written notice thereof from the Trustee or (unless such amount constitutes an, or a payment upon an, Excepted Right in Collateral) the Indenture Trustee; or

(d) the Lessee shall fail to maintain the insurance coverage required by Section 7.13 hereof; or

(e) default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein or in the Participation Agreement or on the part of the Guarantor under the Participation Agreement, and such default shall continue for 30 days after written notice from the Trustee or the Indenture Trustee to the Lessee or the Guarantor specifying the default and demanding that the same be remedied, unless the Lessee or the Guarantor, as the case may be, shall be diligently proceeding to correct such failure and such correction is accomplished within 180 days; or

(f) any representation or warranty made by the Lessee or by the Guarantor herein or in the Participation Agreement or in any agreement, document or certificate delivered by the Lessee in connection herewith or therewith (other than the Tax Indemnity Agreement) shall prove to have been incorrect in any material respect when made or given, shall remain material when discovered and the Lessee or the Guarantor, as the case may be, shall not remedy the situation within 30 days after written notice thereof from the Trustee or the Indenture Trustee; or

(g) the Lessee or the Guarantor shall consent to the appointment of a receiver, trustee or liquidator of itself or of a material part of its property; or the Lessee or the Guarantor shall admit in writing its inability to pay its debts generally as they come due, or shall make a general assignment for the benefit of creditors; or the Lessee or the Guarantor shall file, or the Board of Directors of the Lessee or the Guarantor shall authorize the Lessee or the Guarantor, as appropriate, to file or grant one or more persons authority (at their discretion) to file, a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization in a case under any bankruptcy laws or other insolvency laws (as in effect at such time) or an answer admitting the material allegations of a petition filed against the Lessee or the Guarantor, as appropriate, in any such case; or the Lessee or the Guarantor shall, or the Board of Directors of the Lessee or the Guarantor shall authorize the Lessee or the Guarantor, as appropriate, to, or grant one or more persons authority (at their discretion) to, seek relief by voluntary petition, answer or consent, under the provisions of any other bankruptcy or other similar law providing for the reorganization of corporations (as in effect at such time) or providing for agreement, composition, extension or adjustment with creditors; or

(h) an order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Lessee or the Guarantor, a receiver, trustee or liquidator of the Lessee or the Guarantor, as appropriate, or of any substantial part of its property or granting any other relief in respect of the Lessee or the Guarantor, as appropriate, under any bankruptcy laws or other insolvency laws (as in effect at such time), and any other such order, judgment or decree of appointment shall remain in force undismitted, unstayed or unvacated for a period of 60 days after the date of entry thereof; or

(i) a petition against the Lessee or the Guarantor in a case under any bankruptcy laws or other insolvency laws (as in effect at such time) shall be filed and shall not be withdrawn or dismissed within 60 days thereafter, or if, under the provisions of any law providing for reorganization of corporations which may apply to the Lessee or the Guarantor, any court of competent jurisdiction shall assume jurisdiction, custody or control of the Lessee or the Guarantor or of any substantial part of its property and such jurisdiction, custody or control shall remain in force unrelinquished, unstayed or unterminated for a period of 60 days; or

(j) the guaranty of the Guarantor contained in Section 19 of the Participation Agreement shall in whole or in part not be in full force and effect for any reason whatsoever, including, without limitation, a determination by any governmental body or court that such agreement is invalid, void or unenforceable or the Guarantor shall contest or deny the validity or enforceability of any of its obligations contained in Section 19 of the Participation Agreement;

then, in any such case, the Trustee at its option, may:

(i) proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(ii) by notice in writing to the Lessee terminate this Lease with respect to any or all of the Units, whereupon all rights of the Lessee to the use of such Units shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as herein provided; and thereupon the Trustee may by its agents enter upon the premises of the Lessee or other premises where any of such Units may be and take possession of all or any of such Units and thenceforth hold, possess, sell, operate, lease to others and enjoy the same free from any right of the Lessee, or its successors or assigns, to use such Units for any purposes whatever and without any duty to account to the Lessee for such action or inaction or for any proceeds arising therefrom; but the Trustee shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the Periodic Rental payable in arrears for any number of days less than a full rental period by multiplying the Periodic Rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period), in respect of such Units and also to recover forthwith from the Lessee as damages for loss of the bargain and not as a penalty whichever of the following amounts the Trustee, in its sole discretion, shall specify: (x) a sum with respect to each Unit which represents the excess of the present value at the time of such termination, of all Periodic Rental for such Unit which would otherwise have accrued hereunder from the date of such termination to the end of the Term of this Lease then in effect over the then present value of the then Fair Market Rental of such Unit for such period computed by discounting from the end of such Term to the date of such determination, such present value to be computed in each case on the basis

of a 7.9% per annum discount, compounded from the respective Periodic Rental payment dates upon which Periodic Rentals would have been payable hereunder had this Lease not been terminated, or (y), an amount equal to the excess, if any, of the Casualty Value of each such Unit as of the rental payment date on or (if such termination does not occur on a rental payment date) next preceding the date of termination over the Fair Market Value thereof at such time; provided, however, that in the event the Trustee shall have sold any such Unit, the Trustee, in lieu of collecting any amounts payable to the Trustee by the Lessee as aforesaid, may, if it shall so elect, demand that the Lessee pay to the Trustee, and the Lessee shall pay to the Trustee on the date of such sale, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the excess, if any, of the Casualty Value for such Unit, as of the rental payment date on or (if such termination does not occur on a rental payment date) next preceding the date of termination, over the net proceeds of such sale.

In addition, the Lessee shall be liable, except as otherwise provided above, for any and all unpaid amounts due hereunder before, during or after the exercise of any of the foregoing remedies and for all reasonable attorneys' fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of the Trustee's remedies with respect thereto, including all costs and expenses incurred in connection with the return of any Unit. For purposes of Section 10.01 above, the Fair Rental Value and Fair Market Value for any Unit shall be determined in the manner provided for appraisal arrangements in Section 13.06, except that such values shall be determined assuming the Units are to be sold or leased on an as-is, where-is basis; provided that any sale in a commercially reasonable manner of any Unit prior to any such determination shall conclusively establish the Fair Market Value of such Unit and any rental in a commercially reasonable manner of any Unit prior to any such determination shall conclusively establish the Fair Rental Value of such Unit.

10.02. Cumulative Remedies. The remedies in this Lease provided in favor of the Trustee shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify any other remedies herein provided, to the extent that such waiver is permitted by law.

10.03. Failure to Exercise Remedies; Waivers. The failure of the Trustee to exercise the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation

or recurrence of any such contingencies or similar contingencies; and a waiver of any such right on one occasion shall not constitute a waiver of such right as to any other occasion and shall not be effective unless in writing signed by the Trustee.

10.04. Default Notice. The Lessee agrees to furnish the Trustee, the Owner and the Indenture Trustee, promptly upon any Responsible Officer of the Lessee acquiring actual knowledge of any condition which constitutes an Event of Default hereunder or event which after notice or lapse of time, or both, would constitute such an Event of Default, written notice specifying such condition and the nature and status thereof. For the purposes of this Lease, a "Responsible Officer of the Lessee" shall mean, with respect to the subject matter of any covenant, agreement or obligation of the Lessee, any corporate officer of the Lessee who in the normal performance of his operational responsibilities would have knowledge of such matter and the requirements of this Lease with respect thereto.

11.01. Return of Units Upon Default. If this Lease shall terminate in respect of any of the Units pursuant to Section 10.01 hereof, the Lessee shall forthwith deliver possession of such Units to the Trustee and shall give prompt telegraphic and written notice to the Association of American Railroads and all railroads having possession of any Unit to return such Units. Each Unit returned to the Trustee pursuant to this Section 11.01 shall (i) be in the operating order, repair and condition required by this Lease, (ii) have attached or affixed thereto any Part title to which is in the Trustee pursuant to Section 9.05 hereof and have removed therefrom at Lessee's expense any Part or Addition title to which is in the Lessee or any other person pursuant to such Section 9.05 and (iii) meet the standards then in effect under the Interchange Rules of the Association of American Railroads, if applicable, or such comparable standards as may then be in effect. For the purpose of delivering possession of any such Unit or Units to the Trustee as above required, the Lessee shall at its own cost, expense and risk:

(a) forthwith and in the usual manner for transporting railcars cause such Units to be transported to such location as shall be reasonably designated by the Trustee in the continental United States and there assembled,

(b) furnish and arrange for the storage of such Units on any lines of railroad or at premises acceptable to the Trustee in the continental United States until such Units have been sold, leased or otherwise disposed of by the Trustee, and

(c) cause such Units to be moved to such interchange point or points in the continental United States as shall be

designated by the Trustee upon any sale, lease or other disposal of all or any of such Units.

The assembling, delivery, maintenance, storage and transporting of the Units as hereinbefore provided shall be at the expense and risk of the Lessee (and the Lessee will during this period maintain the insurance required by Section 7.13 of this Lease to be maintained) and are of the essence of this Lease; and, upon application to any court of equity having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. During any storage period, the Lessee will permit the Trustee or any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of any such Unit, to inspect the same. In the event that any of the Units are sold by or on behalf of the Trustee, the Lessee shall pay to the Trustee the per diem interchange for each such Unit which shall not have been assembled, delivered and stored, as hereinbefore provided, by the date of such sale for each day from the date of such sale to the date of delivery to the purchaser thereof.

11.02. Agency. Without in any way limiting the obligation of the Lessee under the foregoing provisions of Section 11.01, the Lessee hereby irrevocably appoints the Trustee as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Unit to the Trustee pursuant to Section 11.01 hereof, to demand and take possession of such Unit in the name and on behalf of the Lessee from whomsoever shall be in possession of such Unit at the time.

12.01. Trustee Assignments. This Lease shall be assignable in whole or in part by the Trustee to the Indenture Trustee without the consent of the Lessee; and the Lessee shall be under no obligation to any assignee of the Trustee other than the Indenture Trustee. All the rights of the Trustee hereunder and obligations of the Lessee to the Trustee (including, but not limited to, the rights under Sections 7 and 10) shall inure to the benefit of the Trustee and, so long as the lien of the Security Agreement shall not have been released, the Indenture Trustee; provided that (i) all Periodic Rentals and payments in connection with a Casualty Occurrence, Voluntary Termination or Surplus Termination shall be paid over to the Indenture Trustee, (ii) and all other Supplemental Rental shall be paid to or for the account of the person to whom it is owed.

12.02. Quiet Enjoyment; Sublease. So long as no Event of Default exists hereunder, (i) the Lessee and each sublessee shall be entitled (to the extent specified in its sublease) to the

quiet enjoyment, use and possession of the Units, including use in normal interchange and the right to subject any Units to normal pooling or similar arrangements, and (ii) the Lessee and each such sublessee shall be entitled to sublease the Units so long as such sublease is expressly subordinate to all the terms and conditions of this Lease and provides that any further sublease shall be expressly subordinate to all the terms and conditions of this lease; provided that no such sublease shall release the Lessee from its obligations under this Lease and the Participation Agreement, which shall be and remain those of a principal and not a surety or guarantor. Notwithstanding the foregoing, so long as no Event of Default shall have occurred and be continuing, the Lessee shall always be entitled to sublease any or all the Units to any affiliates of the Lessee so long as such sublease is subordinate to the terms and conditions of this Lease so long as no such sublease shall release the Lessee from its obligations under this Lease and the Participation Agreement, which obligations shall be and remain those of a principal and not a surety or guarantor.

12.03. Possession and Use. Any such sublease may provide that the sublessee, so long as it shall not be in default under such sublease, shall be entitled to the possession of the Units included in such sublease and the use thereof; provided, however, that every such sublease shall be subject and subordinate to the rights and remedies of the Indenture Trustee under the Security Agreement and the Trustee under this Lease in respect of the Units covered by such sublease upon the occurrence of an Event of Default hereunder.

12.04. Liens. The Lessee, at its own expense, will cause to be duly discharged any lien, charge, security interest or other encumbrance except for Permitted Liens (as hereinafter defined) which may at any time be imposed on or with respect to any Unit, including any accession thereto, or the interest of the Trustee, the Owner, the Indenture Trustee or the Lessee therein. The Lessee shall not, without the prior written consent of the Trustee, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Units, or assign its rights hereunder, except to the extent permitted by the provisions of Section 12.02.

"Permitted Liens" means: (a) any sublease as aforesaid, (b) any lien or encumbrance resulting from claims against the Owner or the Trustee, in their respective individual capacities, which are required to be discharged pursuant to Sections 12.01, 12.02 and 12.03 of the Participation Agreement ("Lessor Liens"), (c) all liens permitted pursuant to Sections 12.01, 12.02 and 12.03 of the Participation Agreement, (d) the security interest of the Indenture Trustee in the Units pursuant to the Security Agreement, (e) the respective rights of the Trustee and Lessee as

provided herein, (f) liens for taxes either not yet due or being contested in good faith by appropriate proceedings so long as such proceedings do not involve any material danger of the sale, forfeiture or loss of the Units, (g) suppliers', mechanics', workers', repairers', employees' or other like liens arising in the ordinary course of business and for amounts the payment of which is either not yet delinquent or is being contested in good faith by appropriate proceedings, and so long as such proceedings do not involve a material danger of the sale, forfeiture or loss of the Units, and (h) liens arising out of judgments or awards against the Lessee which have been in force for less than the applicable time for filing an appeal so long as execution is not levied thereunder (or in respect of which the Lessee shall at the time in good faith be prosecuting an appeal or proceeding for review and in respect of which a stay of execution or appropriate appeal bond shall have been obtained pending such appeal or review).

12.05. Lessee Mergers, Assignments, etc. Nothing in this Section 12 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Units or possession of the Units to any corporation or partnership (which shall have assumed in writing the obligations of the Lessee hereunder and under the Participation Agreement by an appropriate instrument reasonably satisfactory to the Owner and the Indenture Trustee) which is an "affiliated company" (as defined in the Participation Agreement mutatis mutandis) of the Guarantor, or a corporation or partnership into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of the Lessee as an entirety or substantially as an entirety; provided that (a) such assignee or transferee ("transferee") will not, upon the effectiveness of such transfer ("transaction") be in default under any provision of this Lease or the Participation Agreement, (b) such transferee shall have delivered to the Trustee and the Indenture Trustee an opinion of counsel to the effect that the assumption agreement has been duly authorized, executed and delivered by such transferee and is the legal, valid and binding obligation of such transferee and (c) the Guarantor shall have confirmed in writing that its obligations contained in the Participation Agreement, including without limitation, Section 19 thereof, remain in full force and effect.

13.01. Fixed Rental Renewal Option. Provided that this Lease has not been earlier terminated and no Event of Default hereunder has occurred and is continuing at the end of the Original Term and subject to Section 13.07, the Lessee may, by written notice (which notice shall be irrevocable) delivered to the Trustee not less than 180 days nor more than 360 days prior to the end of the Original Term, elect to extend the Term of this Lease for one additional two-year period (the "Fixed Renewal

Term") covering not less than 75 of the Units then remaining under this Lease; provided that if after giving effect to the Lessee's election, the Term would end at the end of the Original Term for less than 75 Units, the Lessee shall be obligated to exercise (and shall be deemed to have elected to exercise) such option for 100% of such Units. The Periodic Rentals for such Units during such Fixed Renewal Term shall be payable semiannually in arrears (on the same dates in the same months as were Periodic Rental payment dates during the Original Term for such Units). Each semiannual Periodic Rental payment shall be in an amount equal to 25% of the average annual Periodic Rental payable during the Base Term for such Units.

13.02 Determination of Fair Market Value and Fair Market Rental Value. Not more than 365 days nor less than 270 days prior to the expiration of the Original Term or the Fixed Renewal Term the Lessee may notify the Trustee in writing that the Lessee desires a determination of the Fair Market Value of the Units then remaining under this Lease as of the end of the Original Term or the Fixed Renewal Term, as appropriate, the remaining useful life of such Units, the Fair Rental Value for a permitted renewal term of such Units, as described in Section 13.03 (the "Fair Renewal Term"), and the Fair Market Value of such Units as of the end of the Fair Renewal Term. Such Fair Market Value and Fair Rental Value shall be determined by the appraisal procedure set forth in Section 13.06 hereof. All costs and expenses of any appraisal procedure pursuant to this Section 13.02 shall be at the Lessee's expense.

13.03 Fair Market Renewal Option. Provided that this Lease has not been earlier terminated and no Event of Default hereunder has occurred and is continuing at the end of the then Term of this Lease and subject to Section 13.07, the Lessee may, by written notice (which notice shall be irrevocable) delivered to the Trustee not less than 180 days nor more than 360 days prior to the end of the Original Term or the Fixed Renewal Term of this Lease, elect to extend the Term of this Lease for a three year period commencing on the scheduled expiration of the Original Term or the Fixed Renewal Term, as appropriate, and covering not less than 75 of the Units then remaining under this Lease; provided that if after giving effect to the Lessee's election the Term would end at the end of the Original Term or Fixed Renewal Term, as the case may be, for less than 75 Units, the Lessee shall obligated to exercise (and shall be deemed to have elected to exercise) such option for 100% of such Units. The Periodic Rentals for such extended term shall be payable semiannually in arrears (on the same dates in the same months as were Periodic Rentals payment dates during the Original Term for such Units) in an amount per Unit equal to the then Fair Market Rental thereof.

13.04. Fixed Price Purchase Option. Provided that this Lease has not been earlier terminated and no Event of Default hereunder has occurred and is continuing and neither the Fixed Renewal Term option nor the Fair Renewal Term option has been exercised at the end of the Original Term as to all Units then remaining under this Lease and subject to Section 13.07, the Lessee may, by written notice (which notice shall be irrevocable) delivered to the Trustee not less than 180 days nor more than 360 days prior to the end of the Original Term with respect to the Units then subject to this Lease, elect to purchase at the expiration of the Original Term, at least 75 of the Units then remaining under this Lease for an amount equal to 48.2% of the Purchase Price; provided, that if, after giving effect to the Lessee's election pursuant to this Section 13.04, the Term would end at the end of the Original Term for less than 75 Units, the Lessee, shall be obligated to exercise (and shall be deemed to have elected to exercise) its option to purchase 100% of such Units.

13.05. Fair Market Purchase Option. Provided that this Lease has not been earlier terminated and no Event of Default has occurred and is continuing at the end of the then Term of this Lease and subject to Section 13.07, the Lessee may, by written notice (which notice shall be irrevocable) delivered to the Trustee not less than 180 days nor more than 360 days prior to the end of the Original Term or any renewal term of this Lease with respect to Units then remaining under this Lease, elect to purchase at the expiration of such Original Term or renewal term 75 or more of the Units then remaining under this Lease for an amount equal to the then Fair Market Value thereof; provided that if, after giving effect to the Lessee's election pursuant to this Section 13.05, the Term would end at the end of the Original Term or any renewal term, as the case may be, for less than 75 Units, the Lessee shall be obligated to exercise (and shall be deemed to have elected to exercise) its option to purchase 100% of such Units.

13.06. Fair Market Value and Rental. Fair Market Value (Fair Market Rental) shall be determined on the basis of, and shall be equal in amount to, the price which would be obtained in an arm's-length transaction between an informed and willing buyer (lessee) and an informed and willing seller (lessor) under no compulsion to buy (lease) or sell (lease) and, in such determination, costs of assembly and removal from the location of current use shall not be a deduction from such price and it shall be assumed that the Units in question are in the condition required by this Lease, have been assembled in one place and are not encumbered by this Lease. If after 30 days from the giving of notice (x) by the Lessee of its election to obtain an appraisal pursuant to Section 13.02, (y) by the Lessee of the Lessee's election to purchase under Section 13.05 or lease under

Section 13.03, or (z) by the Trustee of the Trustee's election to purchase under Section 14.03, the Trustee and the Lessee are unable to agree upon a determination of the Fair Market Value (Fair Market Rental), the Fair Market Value (Fair Market Rental) required by such election shall be determined in accordance with the foregoing definition by the following procedure: If either party to such determination shall have given written notice to the other requesting determination of such value by this appraisal procedure, the parties shall consult for the purpose of appointing a qualified independent appraiser by mutual agreement. If no such appraiser is so appointed within 20 days after such notice is given, each party shall appoint an independent appraiser within 25 days after such notice is given, and the two appraisers so appointed shall, within 30 days after such notice is given, appoint a third independent appraiser. If no such third appraiser is appointed within 30 days after such notice is given, either party may apply to make such appointment to the American Arbitration Association, and both parties shall be bound by any appointment so made. Any appraiser or appraisers appointed pursuant to the foregoing procedure shall be instructed to determine the Fair Market Value (Fair Market Rental) within 45 days after his or their appointment. If the parties shall have appointed a single appraiser or if either party shall have failed to appoint an appraiser, the determination of Fair Market Value (Fair Market Rental) of the single appraiser appointed shall be final. If three appraisers shall be appointed, the determination of the appraiser which differs most from the other two appraisers shall be excluded, the remaining two determinations shall be averaged and such average shall be final and binding upon the parties hereto as the Fair Market Value (Fair Market Rental). The appraisal proceedings shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association as in effect on the date hereof, except as modified hereby. The provision for this appraisal procedure shall be the exclusive means of determining Fair Market Value (Fair Market Rental) and shall be in lieu of any judicial or other procedure for the determination thereof, and each party hereto hereby consents and agrees not to assert any judicial or other procedures. If the parties agree upon the decision of the first appraiser or if the Lessee requests an appraisal pursuant to Section 13.02 or this Section 13.06 to determine the Fair Market Value (or Fair Market Rental) at the end of the Original Term, the Lessee will pay the appraisal expenses, unless otherwise expressly provided in this Agreement. Otherwise, unless otherwise expressly provided in this Agreement, the expenses of the appraisal procedure shall be borne equally by the Lessee and the Trustee.

13.07. Selection of Units for Purchase and Renewal Options.
The Lessee shall not discriminate among Units on the basis of

condition, use or maintenance history in determining which Units will be subject to any purchase or renewal option.

14.01. Return of Units upon Expiration of Term. As soon as practicable on or after the termination of the Term of this Lease as to any Units and in any event not later than 90 days after the termination of the Term of this Lease, the Lessee will, at its own cost and expense, cause all of the Units then subject to this Lease (other than any Unit which has been purchased by the Lessee hereunder or the term of the Lease as to which has been renewed hereunder) to be transported to such point or points (not in excess of four points with not less than 50 Units at any such point) as shall be selected by the Lessee and agreeable to the Trustee, or, if the Lessee and Trustee cannot agree on such points, to any Class 1 interchange or storage in the United States within 1,000 miles of Houston, Texas selected by the Trustee; provided that the Lessee shall be deemed to have satisfied the requirements of the foregoing provisions of this Section 14.01 if at least 90% of the Units are transported in accordance with the foregoing provisions, it being understood that the remaining Units shall be transported in a like manner prior to the 181st day following the end of the Term. The Lessee will assist the Trustee in obtaining storage tracks at competitive rates until each such Unit is sold or otherwise disposed of by the Trustee and will provide 30 days of free storage and insurance for each group of 50 Units or more returned to a point or points acceptable to the Lessee pursuant to this Section 14.01. No Unit shall be deemed returned hereunder, and the Lease with respect to such Unit shall continue, until such Unit is a part of a group of at least 49 other Units (or, if less, all remaining Units subject to this Section 14.01) which are returned to the same point and reasonable notice of the return is provided to the Trustee. If the Lessee is unable to return at least 50 Units to any point, the Lessee will provide 30 days of free storage and insurance (in addition to the 30 days of free storage and insurance provided for in the second preceding sentence) for the Units returned to such point. For each day after the termination of the Term until each such Unit is returned in accordance with this Section 14.01, the Lessee shall: (i) pay to the Trustee monthly in arrears an amount equal to 115% of the per diem equivalent of the average semiannual Periodic Rental payable with respect to such Unit during (a) if the immediately preceding term was the Fair Renewal Term, the immediately preceding term hereof and (b) in all other cases, the Base Term; (ii) continue the insurance coverage required by this Lease; and (iii) otherwise comply with all of the other terms and conditions of this Lease as if it continued in effect. In the event that a Casualty Occurrence shall occur during the assembly period, the Lessee shall pay to the Trustee the Casualty Value for such Unit as provided in Section 7.01 (which Casualty Value shall be equal to the Casualty Value on the last day of the Term

of the Lease). During the assembly period, the Lessee will permit the Trustee or any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of such Unit, to inspect the same; provided, however, that the Lessee shall not be liable except in the case of negligence or intentional act of the Lessee or of its employees or agents nor shall it be liable, except to the extent otherwise provided by law, for any injury to or the death of any person exercising, either on behalf of the Trustee or any prospective purchaser or lessee, the rights of inspection granted under this sentence. In the event any Unit shall not have been returned to the Lessor in accordance with this Section 14.01 by the 181st day following the expiration of the Term with respect to such Unit, the Lessee, within five business days after demand therefor by the Lessor, shall pay to the Lessor, in lieu of any remedy set forth in Section 10.01, (x) the greater of the applicable Casualty Value for such Unit determined as of the last Periodic Rental payment date for such Unit or the Fair Market Value thereof as of such last Periodic Rental payment date (but not to exceed 48.2% of the Purchase Price), plus (y) the rent provided in clause (i) of the second preceding sentence, and the Lessor shall thereupon Transfer to the Lessee such Unit. The assembly, preparation for shipment and delivery of the Units as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to cause the assembly, preparation for shipment and delivery of the Units.

14.02. Return Condition. Each Unit returned to the Trustee pursuant to this Section 14 shall (i) be in the same operating order, repair and condition as required by this Lease and (ii) have attached or affixed thereto any Part title to which is in the Trustee pursuant to Section 9 hereof and have removed therefrom at Lessee's expense any Part or Addition title to which is in the Lessee or any other person pursuant to such Section 9.

14.03. Fair Market Purchase Option of Accessions. With respect to any Unit to be returned pursuant to Section 14.01, the Trustee may, by written notice delivered pursuant to the Lessee not less than 60 days prior to the termination of the Term of this Lease with respect to such Unit, elect to purchase any or all Parts to such Unit to which title vests in the Lessee pursuant to Section 9.05 hereof for an amount equal to the then Fair Market Value thereof. Not later than the 90th day prior to the return of any Unit hereunder, the Lessee shall furnish to the Trustee and the Owner a written report setting forth in reasonable detail the nature and cost of any such Parts. Notwithstanding anything in this Agreement to the contrary, title to any such Part which is not removed from a Unit upon the return

of such Unit to the Trustee hereunder shall vest in the Trustee upon such return.

15.01. Recording. The Lessee will, at its own expense, undertake the filing, registering, deposit, and recording required of the Trustee under the Security Agreement (including filing with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303, depositing with the Registrar General of Canada pursuant to Section 90 of the Railway Act of Canada (notice of such deposit to be given forthwith in The Canada Gazette) and filing of Uniform Commercial Code financing statements with the Secretary of State of Illinois and the Secretary of State of Connecticut) and will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record (and will refile, re-register, deposit and redeposit or rerecord whenever required) any and all further instruments required by law or reasonably requested by the Trustee or the Indenture Trustee for the purpose of proper protection, to their satisfaction, of the Indenture Trustee's and the Trustee's respective interests in the Units, or for the purpose of carrying out the intention of this Lease and the Security Agreement; provided, however, that the Lessee shall not be required to take any such action in Mexico if (1) the Lessee reasonably deems such action to be unduly burdensome, (2) after giving effect to the failure to take such action at any time, the Lessee has nonetheless taken all action required by law to protect the title of the Trustee to and the first and prior security interest of the Indenture Trustee in Units having a Purchase Price of not less than 75% of the aggregate Purchase Price of all the Units then subject to this Lease, and (3) any Unit at any time located in such jurisdiction shall have been marked with the markings specified in Section 5 hereof.

15.02. Evidence of Filings. The Lessee will promptly furnish to the Indenture Trustee and the Trustee evidence of all such filing, registering, depositing or recording, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Trustee and the Indenture Trustee.

16. Trustee's Right to Perform for the Lessee. If the Lessee fails to perform or comply with any of its agreements contained herein, the Trustee may upon notice to the Lessee itself perform or comply with such agreement, and, other than with respect to the agreement to pay Rental, the amount of the reasonable cost and expenses of the Trustee incurred in connection with such performance or compliance, together with interest on such amount at the rate equal to the rate per annum announced from time to time by Bank One, Indianapolis, N.A. as its prime rate plus 2% per annum ("Overdue Rate"), shall be payable by the Lessee upon demand (calculated for actual days elapsed on the basis of a year consisting of 360 days). For

purposes hereof, any such amounts payable by the Lessee to the Trustee shall be deemed Supplemental Rental. No such performance or compliance by the Trustee shall be deemed a waiver of the rights and remedies of the Trustee against the Lessee hereunder or be deemed to cure the default of the Lessee hereunder.

17.01. Interest on Overdue Rentals. If any Rental payable to the Trustee or to any other Indemnified Person (as defined in the Participation Agreement) is not paid when due, the Lessee shall pay as Supplemental Rental an amount equal to interest on such unpaid Rental for the period commencing on (and including) the due date thereof and ending (but not including) the date of payment thereof at a rate per annum equal to the Debt Rate for the Notes related to such Lease Supplement plus 1% per annum (computed on the basis of 360-day a year of twelve consecutive 30-day months).

17.02. Investment of Security Moneys. Any moneys required to be paid to the Lessee pursuant to Section 7.02, 7.04 or 7.13 hereof and which are paid to or retained by the Trustee because of the existence of an Event of Default, or event which after notice or lapse of time, or both, would become an Event of Default, shall, until paid to the Lessee as provided in Section 7.02, 7.04 or 7.13 hereof or applied pursuant to Section 10.01 hereof, be invested by the Trustee from time to time as directed in writing by the Lessee and at the expense of the Lessee in Permitted Investments (as hereinafter defined). The Lessee will promptly pay to the Trustee, on demand, the amount of any net loss realized as the result of any such investment (together with any fees, commissions and other expenses, if any, incurred in connection with such investment). At the time of payment to the Lessee pursuant to Section 7.02, 7.04 or 7.13 hereof of moneys invested by the Trustee pursuant to this Section 17.02 there shall be remitted to the Lessee, or at the time of application of moneys pursuant to Section 10.01 hereof the Trustee also may apply, any gain (including interest received) realized as the result of any such investment (net of any fees, commissions and other expenses, if any, incurred in connection with such investment). The Trustee shall be deemed to have complied fully with its obligations under this Section 17.02 to the extent the Security Agreement obligates the Indenture Trustee to perform the duties of the Trustee under this Section 17.02 with respect to all such funds, if such funds are received by or paid over to the Indenture Trustee. The term "Permitted Investments" shall mean direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of principal and interest, maturing not more than 90 days from the date of such investment.

18. Notices. Any notice required or permitted to be given by any party hereto to any other party or parties shall be deemed

to have been received by the addressee on the date of actual receipt (if such date is a business day, otherwise on the next business day), if transmitted by mail, telex, telecopy or similar transmission, or by express courier service or by hand, addressed as follows:

if to the Trustee, at The Connecticut National Bank, 777 Main Street, Hartford, Connecticut, 06115, attention of Corporate Trust Administration with a copy to Owner at its address for notice set forth in the Participation Agreement;

if to the Lessee, at Amoco Chemical Company, 200 East Randolph Drive, Chicago, Illinois 60601, Attention of Director, Transportation and Distribution, Mail Code 4103A with a copy to Amoco Corporation Law Department, attention of Associate General Counsel, Corporate Department, Mail Code 2106;

if to the Guarantor, at its address for notices contained in Section 15 of the Participation Agreement;

if to the Indenture Trustee, at LaSalle National Bank, 135 South LaSalle Street, Chicago, Illinois 60603, Attention: Corporate Trust Division,

or addressed to any party at such other address as such party shall hereafter furnish to the other parties in writing. Any certificate, document or report required to be furnished by any party hereto to the other parties shall be delivered to the address set forth above or so furnished for such party. Any notice to the Lessee by the Indenture Trustee regarding the Lessee's failure to perform any obligation hereunder shall also be furnished by the Lessee to the Trustee. Notwithstanding anything in this Agreement to the contrary, the Lessee shall not be permitted to furnish any notice required pursuant to Sections 7.06, 13.01, 13.03, 13.04 or 13.05 hereunder at any time when an Event of Default arising under Sections 10.01(a), (b), (c), (g), (h), (i) or (j) shall have occurred and be continuing.

19. Immunities. Each and all of the representations, warranties, covenants and agreements herein made on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, warranties, covenants and agreements by said institution or for the purpose or with the intention of binding said institution personally but are made and intended for the purpose of binding only the Trust Estate (as defined in the Trust Agreement), and this Lease is executed and delivered by said institution solely in the exercise of the powers expressly conferred upon said institution as Trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be

asserted or enforceable against said institution on account of any representation, warranty, covenant or agreement herein of the Trustee (except in the case of gross negligence or willful misconduct of the Trustee), either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee and by all persons claiming by, through or under the Lessee; provided, however, that the Lessee or any person claiming by, through or under the Lessee making claim hereunder may look to said Trust Estate for satisfaction of the same.

20. Severability; Effect and Modification of Lease; Third Party Beneficiaries. (a) Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof; and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(b) Except as otherwise contemplated by the definition of Excepted Rights and Collateral, no variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized signatories for the Trustee and the Lessee; and until the security interest of the Indenture Trustee under the Security Agreement is discharged as provided therein, no variation, modification or waiver (except insofar as it relates to Excepted Rights in Collateral) shall be effective unless joined in by the Indenture Trustee.

(c) Notwithstanding the foregoing, if at any time, (i) an Event of Default shall have occurred and be continuing, (ii) the Lessee shall have entered into an amendment, modification, waiver or consent with the Indenture Trustee without the consent of the Owner with respect to this Lease and (iii) the effect of such amendment, modification, waiver or consent is to extend the Original Term of this Lease, then, upon, but not before, the effectiveness of such amendment, modification, waiver or consent, the provisions of Sections 13.01, 13.03, 13.04 and 13.05 hereof shall automatically cease to be of any further force and effect.

21. Execution. This Lease may be executed in several counterparts, such counterparts together constituting but one and the same agreement. To the extent, if any, that this Lease constitutes chattel paper (as defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest may be created through the transfer of any counterpart other than the "original" counterpart which is deemed to be the counterpart containing the receipt therefor executed by the Indenture Trustee on the signature page thereof.

22. Governing Law. The terms of this Lease and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of Illinois; provided,

however, that the parties shall be entitled to all rights arising out of the filing, recording or depositing of this Lease and any assignment hereof as shall be conferred by the laws of the several jurisdictions in which the same shall be filed, recorded or deposited, or in which any Units shall be located, and any rights arising out of the markings on the Units.

* * * * *

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this instrument to be duly executed in its corporate name by its officers thereunto duly authorized, all as of the date first above written.

LESSEE:

AMOCO CHEMICAL COMPANY

By: A. McCaugha
Name: A. McCaugha
Title: Vice President

CORPORATE SEAL

ATTEST:

By: Karen A. Hansen
Name: KAREN A. HANSEN
Title: ASSISTANT SECRETARY

TRUSTEE:

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity,
but solely as Trustee

By: _____
Name: _____
Title: _____

CORPORATE SEAL

ATTEST:

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this instrument to be duly executed in its corporate name by its officers thereunto duly authorized, all as of the date first above written.

LESSEE:

AMOCO CHEMICAL COMPANY

By: _____
Name: _____
Title: _____

CORPORATE SEAL

ATTEST:

By: _____
Name: _____
Title: _____

TRUSTEE:

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity,
but solely as Trustee

By:  _____
Name: ALAN B. COFFEY
Title: TRUST OFFICER

CORPORATE SEAL

ATTEST:

By:  _____
Name: MICHAEL M. HOPKINS
Title: VICE PRESIDENT

Schedule I
(to Equipment Lease)

Description of Units

The units comprise 193 plastic pellet covered hopper cars with stub center sills and pneumatic discharge manufactured by Trinity Industries, Inc., Specification No. PSM-1120-5, dated November 25, 1991. Each car has a capacity of 5,851 cubic feet and 100 tons. Car numbers are as follows:

AMCX 107925	AMCX 107973	AMCX 108017	AMCX 108058
AMCX 107933	AMCX 107974	AMCX 108018	AMCX 108059
AMCX 107934	AMCX 107975	AMCX 108019	AMCX 108062
AMCX 107935	AMCX 107976	AMCX 108020	AMCX 108065
AMCX 107936	AMCX 107977	AMCX 108021	AMCX 108067
AMCX 107937	AMCX 107978	AMCX 108022	AMCX 108069
AMCX 107938	AMCX 107979	AMCX 108023	AMCX 108070
AMCX 107939	AMCX 107981	AMCX 108024	AMCX 108071
AMCX 107940	AMCX 107982	AMCX 108025	AMCX 108074
AMCX 107941	AMCX 107983	AMCX 108026	AMCX 108075
AMCX 107942	AMCX 107985	AMCX 108027	AMCX 108076
AMCX 107943	AMCX 107986	AMCX 108028	AMCX 108077
AMCX 107944	AMCX 107987	AMCX 108029	AMCX 108078
AMCX 107945	AMCX 107988	AMCX 108030	AMCX 108079
AMCX 107946	AMCX 107989	AMCX 108031	AMCX 108082
AMCX 107947	AMCX 107990	AMCX 108032	AMCX 108084
AMCX 107948	AMCX 107991	AMCX 108033	AMCX 108085
AMCX 107949	AMCX 107992	AMCX 108034	AMCX 108086
AMCX 107950	AMCX 107993	AMCX 108035	AMCX 108087
AMCX 107951	AMCX 107994	AMCX 108036	AMCX 108088
AMCX 107952	AMCX 107995	AMCX 108037	AMCX 108089
AMCX 107953	AMCX 107996	AMCX 108038	AMCX 108090
AMCX 107954	AMCX 107997	AMCX 108039	AMCX 108091
AMCX 107955	AMCX 107998	AMCX 108040	AMCX 108092
AMCX 107956	AMCX 107999	AMCX 108041	AMCX 108093
AMCX 107957	AMCX 108000	AMCX 108042	AMCX 108094
AMCX 107958	AMCX 108001	AMCX 108043	AMCX 108096
AMCX 107959	AMCX 108002	AMCX 108044	AMCX 108098
AMCX 107960	AMCX 108003	AMCX 108045	AMCX 108099
AMCX 107961	AMCX 108004	AMCX 108046	AMCX 108103
AMCX 107962	AMCX 108006	AMCX 108047	AMCX 108106
AMCX 107963	AMCX 108007	AMCX 108048	AMCX 108107
AMCX 107964	AMCX 108008	AMCX 108049	AMCX 108111
AMCX 107965	AMCX 108009	AMCX 108050	AMCX 108113
AMCX 107966	AMCX 108010	AMCX 108051	AMCX 108114
AMCX 107967	AMCX 108011	AMCX 108052	AMCX 108115
AMCX 107968	AMCX 108012	AMCX 108053	AMCX 108116
AMCX 107969	AMCX 108013	AMCX 108054	AMCX 108117
AMCX 107970	AMCX 108014	AMCX 108055	AMCX 108118
AMCX 107971	AMCX 108015	AMCX 108056	AMCX 108119
AMCX 107972	AMCX 108016	AMCX 108057	AMCX 108121

Schedule I
(to Equipment Lease)

Description of Units
(cont.)

AMCX 108122	AMCX 108135	AMCX 108146	AMCX 108159
AMCX 108124	AMCX 108138	AMCX 108147	AMCX 108160
AMCX 108125	AMCX 108139	AMCX 108148	AMCX 108162
AMCX 108126	AMCX 108140	AMCX 108149	AMCX 108165
AMCX 108127	AMCX 108141	AMCX 108151	AMCX 108170
AMCX 108129	AMCX 108142	AMCX 108152	AMCX 108171
AMCX 108133	AMCX 108143	AMCX 108154	AMCX 108172
			AMCX 108174

SCHEDULE II
(to Equipment Lease)

Periodic Rentals

The Purchase Price used to calculate the dollar equivalents of the Basic Rental is \$10,547,922.25; (X EC) means percentage of Purchase Price; provided that the Periodic Rental due on any date shall be an amount equal to the percentage set forth opposite such date multiplied by the aggregate Purchase Price of the units then subject to this Lease.

Date				(X EC)		
	Arrears	Advance	Total	Arrears	Advance	Total
28-Mar-93	\$0.00	\$0.00	\$0.00	0.00000000Z	0.00000000Z	0.00000000Z
28-Sep-93	\$0.00	\$0.00	\$0.00	0.00000000Z	0.00000000Z	0.00000000Z
28-Mar-94	\$800,844.70	\$0.00	\$800,844.70	7.59244030Z	0.00000000Z	7.59244030Z
28-Sep-94	\$0.00	\$0.00	\$0.00	0.00000000Z	0.00000000Z	0.00000000Z
28-Mar-95	\$800,844.70	\$0.00	\$800,844.70	7.59244030Z	0.00000000Z	7.59244030Z
28-Sep-95	\$0.00	\$0.00	\$0.00	0.00000000Z	0.00000000Z	0.00000000Z
28-Mar-96	\$800,844.70	\$0.00	\$800,844.70	7.59244030Z	0.00000000Z	7.59244030Z
28-Sep-96	\$0.00	\$0.00	\$0.00	0.00000000Z	0.00000000Z	0.00000000Z
28-Mar-97	\$800,844.71	\$0.00	\$800,844.71	7.59244040Z	0.00000000Z	7.59244040Z
28-Sep-97	\$0.00	\$0.00	\$0.00	0.00000000Z	0.00000000Z	0.00000000Z
28-Mar-98	\$800,844.71	\$0.00	\$800,844.71	7.59244040Z	0.00000000Z	7.59244040Z
28-Sep-98	\$273,272.20	\$0.00	\$273,272.20	2.59076805Z	0.00000000Z	2.59076805Z
28-Mar-99	\$527,572.49	\$0.00	\$527,572.49	5.00167215Z	0.00000000Z	5.00167215Z
28-Sep-99	\$263,227.34	\$0.00	\$263,227.34	2.49535736Z	0.00000000Z	2.49535736Z
28-Mar-2000	\$537,617.36	\$0.00	\$537,617.36	5.09690295Z	0.00000000Z	5.09690295Z
28-Sep-2000	\$252,388.93	\$0.00	\$252,388.93	2.39278337Z	0.00000000Z	2.39278337Z
28-Mar-2001	\$546,456.25	\$0.00	\$546,456.25	5.19966148Z	0.00000000Z	5.19966148Z
28-Sep-2001	\$241,934.66	\$0.00	\$241,934.66	2.29367125Z	0.00000000Z	2.29367125Z
28-Mar-2002	\$558,910.63	\$0.00	\$558,910.63	5.29876896Z	0.00000000Z	5.29876896Z
28-Sep-2002	\$234,344.59	\$0.00	\$234,344.59	2.22171329Z	0.00000000Z	2.22171329Z
28-Mar-2003	\$566,500.10	\$634,674.65	\$1,201,174.75	5.37672692Z	6.01705248Z	11.38778540Z
28-Sep-2003	\$0.00	\$344,135.61	\$344,135.61	0.00000000Z	3.26259145Z	3.26259145Z
28-Mar-2004	\$0.00	\$761,331.94	\$761,331.94	0.00000000Z	7.21783800Z	7.21783800Z
28-Sep-2004	\$0.00	\$217,478.32	\$217,478.32	0.00000000Z	2.06181194Z	2.06181194Z
28-Mar-2005	\$0.00	\$816,670.64	\$816,670.64	0.00000000Z	7.74247876Z	7.74247876Z
28-Sep-2005	\$0.00	\$162,139.55	\$162,139.55	0.00000000Z	1.53717051Z	1.53717051Z
28-Mar-2006	\$0.00	\$843,587.86	\$843,587.86	0.00000000Z	7.99766855Z	7.99766855Z
28-Sep-2006	\$0.00	\$135,222.33	\$135,222.33	0.00000000Z	1.28198072Z	1.28198072Z
28-Mar-2007	\$0.00	\$872,718.97	\$872,718.97	0.00000000Z	8.27384720Z	8.27384720Z
28-Sep-2007	\$0.00	\$106,091.21	\$106,091.21	0.00000000Z	1.00580197Z	1.00580197Z
28-Mar-2008	\$0.00	\$904,246.08	\$904,246.08	0.00000000Z	8.57274123Z	8.57274123Z
28-Sep-2008	\$0.00	\$74,564.09	\$74,564.09	0.00000000Z	0.70690785Z	0.70690785Z
28-Mar-2009	\$0.00	\$938,366.26	\$938,366.26	0.00000000Z	8.89621897Z	8.89621897Z
28-Sep-2009	\$0.00	\$40,443.91	\$40,443.91	0.00000000Z	0.38343011Z	0.38343011Z
28-Mar-2010	\$0.00	\$975,292.79	\$975,292.79	0.00000000Z	9.24630242Z	9.24630242Z
28-Sep-2010	\$0.00	\$3,517.38	\$3,517.38	0.00000000Z	0.03334666Z	0.03334666Z
28-Mar-2011	\$0.00	\$978,810.26	\$978,810.26	0.00000000Z	9.27964993Z	9.27964993Z
28-Sep-2011	\$0.00	\$0.00	\$0.00	0.00000000Z	0.00000000Z	0.00000000Z
28-Mar-2012	\$0.00	\$978,810.26	\$978,810.26	0.00000000Z	9.27964993Z	9.27964993Z
28-Sep-2012	\$0.00	\$0.00	\$0.00	0.00000000Z	0.00000000Z	0.00000000Z
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	\$9,608,447.47	\$9,788,102.11	\$17,796,549.58	75.92440748Z	92.79649468Z	168.72090217Z

Schedule III
(to Equipment Lease)

Casualty Values: Termination Values

Values are net of any arrears rent due that day.

Date	Termination Values	Casualty Values
28-Mar-93	107.74731702X	107.74731702X
28-Sep-93	112.18398547X	112.18398547X
28-Mar-94	108.74907522X	108.74907522X
28-Sep-94	112.59357464X	112.59357464X
28-Mar-95	108.68256241X	108.68256241X
28-Sep-95	112.13337916X	112.13337916X
28-Mar-96	107.89662866X	107.89662866X
28-Sep-96	111.03895488X	111.03895488X
28-Mar-97	106.53224663X	106.53224663X
28-Sep-97	109.44207821X	109.44207821X
28-Mar-98	104.68401136X	104.68401136X
28-Sep-98	104.74559155X	104.74559155X
28-Mar-99	102.65928333X	102.65928333X
28-Sep-99	103.06843470X	103.06843470X
28-Mar-2000	100.86397466X	100.86397466X
28-Sep-2000	101.26596240X	101.26596240X
28-Mar-2001	98.87266154X	98.87266154X
28-Sep-2001	99.29052791X	99.29052791X
28-Mar-2002	96.71417263X	96.71417263X
28-Sep-2002	97.11326716X	97.11326716X
28-Mar-2003	94.37375892X	94.37375892X
28-Sep-2003	90.63549997X	90.63549997X
28-Mar-2004	89.63232473X	89.63232473X
28-Sep-2004	84.50010828X	84.50010828X
28-Mar-2005	84.53927927X	84.53927927X
28-Sep-2005	76.69768758X	76.69768758X
28-Mar-2006	79.09395574X	79.09395574X
28-Sep-2006	72.81674128X	72.81674128X
28-Mar-2007	73.29436564X	73.29436564X
28-Sep-2007	66.55356810X	66.55356810X
28-Mar-2008	67.12737072X	67.12737072X
28-Sep-2008	59.89323356X	59.89323356X
28-Mar-2009	60.57962180X	60.57962180X
28-Sep-2009	52.82077223X	52.82077223X
28-Mar-2010	53.63875488X	53.63875488X
28-Sep-2010	45.32128353X	45.32128353X
28-Mar-2011	46.26800267X	46.26800267X
28-Sep-2011	37.67832516X	37.67832516X
28-Mar-2012	38.41169621X	38.41169621X
28-Sep-2012	29.56711960X	29.56711960X
28-Mar-2013	30.00000101X	30.00000101X

EXHIBIT A

LEASE SUPPLEMENT NO. ____

LEASE SUPPLEMENT NO. ____, dated _____, 19__ (this "Supplement"), between AMOCO CHEMICAL COMPANY, a Delaware corporation (the "Lessee"), and THE CONNECTICUT NATIONAL BANK, a national banking association, acting not in its individual capacity but solely as Trustee ("Trustee") under a Trust Agreement 1992-A, dated as of _____, 1992; with BANC ONE EQUIPMENT FINANCE, INC., an Indiana corporation ("Owner").

W I T N E S S E T H:

WHEREAS, the Trustee and the Lessee heretofore have entered into that certain Equipment Lease 1992-A, dated as of September 15, 1992 (herein, together with any amendments and supplements heretofore made thereto, the "Lease"); and

WHEREAS, the Lease provides for the execution and delivery on the Closing Date (such term and other defined terms in the Lease being herein used with the same meanings) of a Supplement thereto substantially in the form hereof;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the Trustee and the Lessee agree as follows:

1.01 Acceptance and Lease. The Lessee hereby acknowledges and confirms that on the date hereof the Units described in Annex I hereto have been unconditionally accepted by the Lessee from the Trustee and are now leased under the Lease and have been marked in accordance with Section 5 of the Lease. The Units being accepted hereby are located in various jurisdictions, but none of the Units being accepted hereby is being accepted in Chicago, Illinois.

1.02 Periodic Rentals, Casualty Values and Termination Values. Attached as Annex II and Annex III hereto are the Periodic Rentals and Casualty Values and Termination Values, respectively, for the Units covered by this Supplement.

2. Miscellaneous. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Supplement may refer to the Lease without making specific reference hereto, but nevertheless all such references shall be deemed to include this Supplement unless the context thereof shall otherwise require.

This Supplement shall be construed in connection with and as a part of the Lease, and all terms, conditions and covenants

contained therein, as herein modified, shall be and remain in full force and effect.

This Supplement may be executed in several counterparts, such counterparts together constituting but one and the same agreement. To the extent, if any, that this Lease Supplement constitutes chattel paper (as defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest may be created through the transfer of any counterpart other than the "original" counterpart which is deemed to be the counterpart containing the receipt therefor executed by the Indenture Trustee on the signature page thereof.

* * * * *

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this instrument to be duly executed in its corporate name by its officers thereunto duly authorized, all as of the date first above written.

LESSEE:

AMOCO CHEMICAL COMPANY

By: _____
Name: _____
Title: _____

CORPORATE SEAL

ATTEST:

By: _____
Name: _____
Title: _____

TRUSTEE:

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity,
but solely as Trustee

By: _____
Name: _____
Title: _____

CORPORATE SEAL

ATTEST:

By: _____
Name: _____
Title: _____

RECEIPT

Receipt of this original counterpart of the foregoing Supplement is hereby acknowledged.

LASALLE NATIONAL BANK,
Indenture Trustee

By: _____
Name: _____
Title: _____

ANNEX I
(to Lease Supplement No.)

Units

Description of Units

Unit Identifying Number

Manufacturer

ANNEX II
(to Lease Supplement No. __)

Periodic Rentals

ANNEX III
(to Lease Supplement No. __)

Casualty Values; Termination Values